

PRESIDENTIAL CAMPAIGN ACTIVITIES OF 1972
SENATE RESOLUTION 60

EXECUTIVE SESSION HEARINGS
BEFORE THE
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES
OF THE
UNITED STATES SENATE
NINETY-THIRD CONGRESS
SECOND SESSION

WATERGATE AND RELATED ACTIVITIES
Use of Incumbency—Responsiveness Program

**WASHINGTON, D.C., JANUARY 31, FEBRUARY 8, APRIL 8, AND
MAY 28, 1974**

Book 18



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(Established by S. Res. 60, 93d Congress, 1st Session)



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[Executive session hearings released to the public after the filing of
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PRESIDENTIAL CAMPAIGN ACTIVITIES OF 1972 RESPONSIVENESS PROGRAM

THURSDAY, JANUARY 31, 1974

U. S. SENATE,
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES,
Washington, D.C.

The Select Committee met, pursuant to notice, at 5:10 p.m., in room 1418, Dirksen Senate Office Building.

Present: James Hamilton, assistant chief counsel; Donald G. Sanders, deputy minority counsel; and Gordon Freedman, research assistant.

Mr. HAMILTON. The subject is the "Responsiveness Program."

I will start off by giving you a memorandum that Fred Malek sent you on March 17, 1972. You can disregard the tab here, which is just for my purpose, and I will let you look at this. I will happily say for the record, that I am not the source of that newspaper story.

INTERVIEW WITH H. R. HALDEMAN, ACCCOMPANIED BY FRANK H. STRICKLER, COUNSEL

Mr. HALDEMAN. That is what you all say.

Mr. HAMILTON. I realize that.

Mr. HALDEMAN. Do you want me to read this whole thing?

Mr. HAMILTON. I assume you have read it before.

Mr. HALDEMAN. I have seen the general subject, and I am sure—is this my writing?

Mr. HAMILTON. That is what I was going to ask you.

Mr. HALDEMAN. It doesn't look like it. It looks like—it needs strategy for this.

Mr. HAMILTON. I want to make sure that we identify this as a memorandum for Mr. Haldeman from Mr. Malek on March 17, 1972.* What is your recollection as to how this Responsiveness Program was initiated, and how did it come into being?

Mr. HALDEMAN. I am not sure. I just don't know. I don't know whether this initiated it or whether this arose out of conversations that started at some other point, or whether it came out of a staff discussion, I am not sure.

Mr. HAMILTON. Mr. Malek has told us in interviews that you made a request that he develop some type of plan to make the various departments more responsive—

Mr. STRICKLER. Is this responsive to the voting public; is this the shorthand phrase we are using? Responsive to whom?

*See Malek exhibit No. 4, p. 8311.

Mr. FREEDMAN. Responsiveness program.

Mr. STRICKLER. Let me read from page 1. It says: "This paper outlines a suggested program to improve executive branch responsiveness to the voting public." And my question is, when you say "Responsiveness Program," is it a shorthand description of that sentence I just read?

Mr. HAMILTON. Actually, I think a more correct description, judging on the various interviews we have had, and looking at all the documents we have got as a whole, is that the purpose of this program, as I understand it, and also as the memorandums reflect, was to make the departments more responsive to the President's reelection needs; that is, what could be done to get the departments acting in such a fashion as to aid the President's reelection campaign.

Mr. STRICKLER. With that definition, we will use that definition rather than the one stated in this memorandum for the rest of this interrogation. Do you understand?

Mr. HALDEMAN. Yes. I am not able to pinpoint a point of initiation. This is the kind of thing that is discussed all the time—not all the time, but I mean discussed frequently; it comes up from time to time. And as you approach a reelection period, it is a question of some degree of sensitivity in terms of departmental actions that would be avoiding actions that are going to create unnecessary adverse public reaction or unnecessarily adverse reaction among a segment of the public, and on the converse actions that could be well received by the public or a segment of the public. And I don't know what the instant cause of this particularly was. If Fred says that I asked him to prepare a memorandum—and this would indicate from his cover memo that I probably did—I wouldn't question that.

Mr. HAMILTON. Was the President interested in a program of this sort? Had he communicated to you an interest of this nature?

Mr. HALDEMAN. I don't know, in terms of a program. But obviously, he was interested, as everybody was, in a general sense, in this point that I was describing, the sensitivity, as we approach a political period, he was concerned about it all the time.

Mr. HAMILTON. Can you recall any specific conversation with the President where he expressed a concern like this, let's say, in 1971?

Mr. HALDEMAN. Not a specific conversation, no.

Mr. HAMILTON. Or gave you any instructions as to developing a program like this?

Mr. HALDEMAN. No, I can't.

Mr. HAMILTON. As to your instructions to Malek, I would like to show you a memorandum from him to you of November 11, 1971. And the first sentence says: "You have asked that I undertake a study of White House staff needs and organization in support of the campaign, and if agreeable to the Attorney General, to simultaneously assist in developing the organization structure for the campaign." This is his syntax; it is not mine. So I take it from this memorandum that at least you had asked him to begin some type of organization effort.

Mr. HALDEMAN. This is staff needs, though. And as he describes it here, the division of responsibilities, how things are to be worked out, the coordination between White House and campaign staff, which would be different, I think, than what you are talking about there.

Mr. HAMILTON. It may very well be. But I just show you this to indicate that you were talking to him about campaign matters.

Mr. HALDEMAN. Yes. He headed the White House personnel office; I think that was his function at that time. And we used him as an organization guide to look at structure and administrative procedure, and so forth. And I think that is what this is. What is the difference in timing in March of 1972 and November of 1971?

Mr. HAMILTON. Here is another memorandum* that I don't have a date on, but I am assuming, just because of the existence of other memos, that it probably was in 1971. But it should be clear, that that is my assumption. And it was prepared by Malek. And I believe it was sent to you. Is this your writing on the bottom here?

Mr. HALDEMAN. It looks like it. I think it probably—probably all of this looks like my writing.

Mr. HAMILTON. You referred in shorthand here to "E" and "S." And I know who "E" is, but who is "S"?

Mr. HALDEMAN. Shultz.

Mr. HAMILTON. Would it be Shultz?

Mr. HALDEMAN. Yes.

Mr. HAMILTON. Why do you say it would be Shultz?

Mr. HALDEMAN. Because at this point, Shultz was Director of OMB, I believe. And so anything that involved organizational structure through departments, and so forth, was viewed by Shultz as being the end part of the OMB domain. And the point here was that there needed to be an understanding and agreement on the part of Ehrlichman who dealt with the domestic departments, and Shultz for the White House, and Shultz who dealt with the domestic departments for OMB, and from a management viewpoint, making the point that they fully understand and agree to this. Ehrlichman, specially, is the key to dealing with the departments, in terms of his suggestions at a Cabinet meeting briefing to do this. And I am saying to do it by departments.

Mr. HAMILTON. Which, incidentally, is the way it was done.

Mr. HALDEMAN. Is it? OK. One of the things here would be also that Malek was always sensitive to his lack of stroke, as he put it, or stature, or however you want to phrase it, and whether his going in to do something, or talking to people, would carry sufficient weight. And my point here was—this is why I say, do it by department, you, S, and E, making the point that if he has Shultz and Ehrlichman with him in understanding what he is doing here, that he is going to accomplish what he was trying to accomplish by having a Cabinet meeting, which would have provided that same sort of stroke, as he put it.

Mr. HAMILTON. Did you ever have any conversations with Ehrlichman and Shultz about the Responsiveness Program?

Mr. HALDEMAN. Is that what this is about?

Mr. HAMILTON. Yes; if you will look at the subheading here, it says, "The departmental responsiveness."

Mr. HALDEMAN. There were a lot of things he was doing, of which this is one part.

Mr. HAMILTON. This is one part. And it runs over. And it has a comment here which says: "Get Cole involved." And a couple of pages later it comes up again, and he suggests—

*See Malek exhibit No. 3, p. 8305.

Mr. HALDEMAN. Talking about riding herd on OMB's effort to followup on implications. That is why he would be Shultz. That confirms it again.

Mr. HAMILTON. That is who I thought it was, frankly, but I wasn't sure. And this is your writing here too on page 4 of the memorandum?

Mr. HALDEMAN. Yes; that is the kind of Haldeman comment that drove people up the wall.

Mr. HAMILTON. Just to refresh your recollection, there were several memorandums that preceded this memorandum that was sent to you on March 17. And here is one memorandum that was sent to you on December 23, 1971, which deals with—

Mr. HALDEMAN. You are raising a buffer leader.

Mr. HAMILTON. Why am I doing that?

Mr. HALDEMAN. Because the general counsel uses "memoranda" as the singular form, and you just restricted yourself and changed it to "memorandum." Dash also refers to "this memoranda."

Mr. HAMILTON. I have noticed that the spelling of the GPO plural for "memorandum" is "memorandums," which is the Government way of doing it.

Mr. HALDEMAN. I could make a crack about that, but I won't.

Mr. HAMILTON. Do you recall receiving this memorandum?

Mr. HALDEMAN. I have a general recollection of this. I can't specifically identify having read the memorandum. And the notations on it are not mine, that isn't my writing.

Mr. HAMILTON. Let me show you another one that was not addressed to you, but was written by your cousin, William Horton, I understand.

Mr. HALDEMAN. He is my wife's cousin.

Mr. HAMILTON. A piece of information that I am sure is irrelevant—

Mr. HALDEMAN. I can assure you of its irrelevance.

Mr. HAMILTON. Did you ever see this particular memorandum? It was not addressed to you. It was prepared by Horton.

Mr. HALDEMAN. I don't think so. The procedure, as I understood it—I don't recall ever seeing a memorandum from Horton. And that one doesn't look familiar. The procedure in Malek's office—he used Horton as a memorandum drafter. And I think what he did—I never saw the Horton part, but I had always suspected that because of the syntax that many of Malek's memorandums were written by Horton and slightly rewritten by Malek and retyped over his signature. And this would look like a background paper that Horton has done for Malek.

Mr. HAMILTON. Well, it is similar in tone and scope to this March 17 memorandum that he sent to you which was also a Horton draft.

Mr. HALDEMAN. That may be the Malek redraft of this Horton proposal.

Mr. HAMILTON. Let me ask you about this March 17 document. This does embody, as we understand it, the final plan for the Responsiveness Program that was put into action. Who signed off on this? Who gave approval for this?

Mr. HALDEMAN. I don't know that it was signed off on. I have a feeling maybe it was just—it is strange, because usually, in something like this, there is a signoff indication of some kind, which there isn't, and there doesn't appear to be, on this at all. I have a feeling that it may

have just been put into motion without any formal signoff on it, or review of it, or perhaps with some modification. I am sure there were some modifications.

Mr. HAMILTON. I believe it is fair to say that Malek has told us that you approved it, you, or at least the person immediately above him, approved it. Does that comport with your recollection?

Mr. HALDEMAN. I don't recall any formal approval. The thing that puzzles me is that normally something like this I would have marked up substantially. And it would have had revisions on it, although that is so voluminous that it is also possible that I just said "OK," and let it go.

Mr. HAMILTON. Also you had had earlier drafts, in other words, two earlier memos had come to you.

Mr. HALDEMAN. They were different.

Mr. HAMILTON. Somewhat different, but they were about the Responsiveness Program. The memorandum with a lot of your writing that was undated has several items. And the December 23, 1971, memorandum has got about two pages on it, two or three pages on it. But I don't want to put words in your mouth, that is just a suggestion as to why there is no writing on there. Also, I am not sure that it is clear that we have the copy that went to you. And there were, I believe, five copies.

Mr. HALDEMAN. As I say, I don't have a recollection of signing off. I don't recall there being any Cabinet meeting or formal launching of this kind of activity, although that is called for in here.

Mr. HAMILTON. There was certainly no public launching, because, if you look at the last two pages, secrecy was a prime part of the program.

Mr. HALDEMAN. It was not thought of as a publicly announced activity, but there was a recommendation that there be a Cabinet meeting.

Mr. HAMILTON. And you said to do it individually?

Mr. HALDEMAN. I did in an earlier one, but apparently he stayed with the Cabinet meeting concept anyway, because if this is a followup to the other, this still calls for a Cabinet meeting. I don't think there was one.

Mr. HAMILTON. I think the facts we developed are that there was not, and that Malek and other people—Anderson—made contact with various Cabinet members.

Mr. HALDEMAN. Yes.

Mr. HAMILTON. I take it that you don't remember any specific approval or disapproval.

Mr. HALDEMAN. That is correct.

Mr. HAMILTON. Do you remember discussing it with the President?

Mr. HALDEMAN. No.

Mr. HAMILTON. Is it the type of thing you would have discussed with the President?

Mr. HALDEMAN. It could be either way. It isn't one that would have had to be discussed with the President. It isn't something that I would have felt had to be taken to him for decision, because it is an internal-operating-procedure sort of a thing.

Mr. HAMILTON. But it was identified. And it stretched throughout the executive branch. So it was a matter of some importance.

Mr. HALDEMAN. But it was a structural implementation for communication and that sort of thing rather than the substantive thing

basically. I don't recall going over the plans with the President. And the likelihood is that Malek was working out a program, or was going to be working on the business, as that is called, of departmental responsiveness, and that the normal thing would be simply to tell him that, and he would say, fine.

Mr. HAMILTON. I take it, then, your testimony is that he approved the general idea, or that you would assume that he approved the general idea; is that fair to say?

Mr. HALDEMAN. I am not saying that he did, because I don't recall discussing it with him, so I can't say that.

Mr. HAMILTON. Would it be your testimony, then, that as to the specifics of this plan, as contained in this memo, you don't recall discussing that with him?

Mr. HALDEMAN. That is correct.

Mr. HAMILTON. So you don't know or you don't remember if he specifically approved the plan as set out here?

Mr. HALDEMAN. No. And beyond that, I would say that would not be the normal procedure, that I would discuss the specifics of the plan with him. The more likely thing would be sort of a blanket description that something of this sort was being done, and giving him that information and letting it go at that.

Mr. HAMILTON. Would you give him a copy of this memorandum?

Mr. HALDEMAN. Very unlikely.

Mr. HAMILTON. Would you give him a summary of this memorandum?

Mr. HALDEMAN. A written summary?

Mr. HAMILTON. Yes.

Mr. HALDEMAN. Unlikely.

Mr. HAMILTON. You would probably just tell him about it?

Mr. HALDEMAN. Most of my communication with the President was verbal. I didn't do much—I never wrote memorandums to the President, or virtually never. And I generally covered things with him by word of mouth.

Mr. HAMILTON. You said that this program was more a program for implementation than it was substantive. The way I read this document—I suppose one can read it in his own way, but it seems to me very clear that one thing Malek was talking about here was rechanneling or redirecting grants to areas that would be politically desirable: in other words, if you needed—as just an example—if you needed Spanish-American votes in California, you would put a lot of grant money into the Spanish-American community. Did you ever have discussions with Malek on that topic?

Mr. HALDEMAN. Like where?

Mr. HAMILTON. Let me see if I can show you. Right here in this section. "Present efforts to tap only a fraction of the total potential." And you get over here, and they start talking about what Gifford has done, and it says:

The Department of Commerce provides a good example, to date Gifford has made some 39 requests. Most of these involved expediting the normal grant-review process and securing the release of information. Approximately a dozen of those requests resulted in favorable grant decisions which otherwise would not have been made involving roughly \$1 million. Politically, these actions have been made beneficial.

And then down here he talks about, I believe it is, \$1.4 billion in Commerce, and then he says:

Even if only 5 percent of this amount can be rechanneled to impact more directly on targeted groups or geographical areas, it would be a substantial increase over the current efforts.

Mr. HALDEMAN. It is a question of focus and sensitivity in the procedure in going at those things, I think, not so much a question of policy or substance.

Mr. STRICKLER. You certainly wouldn't maintain this was any deviation from the history of our country in the way grants are made, would you?

Mr. HAMILTON. I am not going to testify on the record my view of that.

Mr. HALDEMAN. But you might find somebody who would advocate that point of view.

Mr. STRICKLER. That is my point. This long-growing bit has been with us from the inception of our democracy. Indeed, in my judgment, we are hearing part of it. As Lincoln Steffan said, "It is a necessary evil."

Mr. HAMILTON. My question is, did you specifically discuss with Mr. Malek the conception of rechanneling grants for political impact?

Mr. HALDEMAN. I am not sure that I did, because I don't understand the grant thing. Mr. Bill Gifford was the grants man, and I am sure that Malek and Gifford talked about that. And there is one of the items in the sensitivity area. Being attuned to the political realities, was an area that I don't—if I discussed it with Malek, it would have been in terms of his talking to Gifford or Shultz, who Gifford worked for, with regard to that particular area of responsiveness.

Mr. HAMILTON. A little bit further over, they talk about the types of actions that the Responsiveness Program would affect. And they refer first of all to positive decisions, project grants, contracts, loans, subsidies, and procurement of construction projects. And then they talk about negative actions, or the memorandum talks about negative actions, which are defined as taking legal or regulatory action against a group for a governmental body, major cutbacks in programs, and relocation of the department operations. Did you specifically discuss with Malek that part of the Responsiveness Program that would be affecting the taking of a legal or regulatory action?

Mr. HALDEMAN. I don't recall discussing with him any of these points. I have a feeling that most of this was in terms of saying, "Work up a plan on this," and my getting this, or something like it, and saying, "Go ahead." I don't think Fred and I had any detailed discussions about the specifics that were involved here. The point was to try to develop an awareness throughout the Government of some of these factors.

Mr. HAMILTON. Let me show you another document, which is dated June 7, 1972.* It is from Malek to you. And it is on the Responsiveness Program. It is a progress report on the Responsiveness Program.

Mr. HALDEMAN. That is just the one Malek has characterized as puffery to keep Haldeman happy.

Mr. HAMILTON. Yes, it is characterized as puffery.

Mr. HALDEMAN. One of the things—I don't know whether it is included in here—was the continuing problem of bureaucracy respon-

*See Malek exhibit No. 16, p. 8380.

siveness, where decisions are made at the top, and get diverted on a highly political basis at a lower level to a direction other than the policy of the department would have indicated. And I don't know whether that is covered in here. But it is some of what he is talking about, the thing of getting down into the depths. OK, I have taken a general look at this.

Mr. HAMILTON. Do you remember discussing this document with Malek?

Mr. HALDEMAN. No.

Mr. HAMILTON. Do you remember registering any approval or disapproval in any way as to what he was doing?

Mr. HALDEMAN. No. It is the kind of thing that normally I would write "good work" on and "keep it up," or something of that sort, and send it back to him.

Mr. HAMILTON. But you don't remember doing that. Do you remember your reaction to it?

Mr. HALDEMAN. No.

Mr. HAMILTON. Did you discuss it with the President, do you remember that?

Mr. HALDEMAN. I don't have any recollection of doing so.

Mr. HAMILTON. Do you remember giving the documents to the President as an example of what Malek was doing?

Mr. HALDEMAN. No.

Mr. HAMILTON. Would it be the type of thing you would have discussed with the President?

Mr. HALDEMAN. It is possible. It all depends. If the question comes up, I have the knowledge. If he says, "Is there anything happening on this," I can say, "Yes, as a matter of fact, Malek sent in a report, and they are doing a good job." If the question never arises, I probably would never raise the point from my side.

Mr. HAMILTON. Is it the type of document you would have shown to the President?

Mr. HALDEMAN. I don't think so. I would say it was highly unlikely. I can't recall showing the President any kind of document of this sort.

Mr. HAMILTON. There are a couple of specifics in there, one involving labor-management matters at the Labor Department, altering the course of a labor investigation. And there is another specific in there where Malek takes the blame for altering the course of an EEOC decision. Do you remember—let me show you those directly. Here is one such statement.

Mr. HALDEMAN. That doesn't say it has altered anything. That is a matter where someone makes a plea for reconsideration, and the plea is relaxed, and the consideration is given, with a favorable result.

Mr. HAMILTON. I think the record should show that my characterization of what the document shows is only that, a characterization. But it also should show that right now we are looking at the two entries in this memorandum that relate to Local 454.

Mr. HALDEMAN. In any of these cases there is nothing to indicate, and I have no reason to believe that these are not actions—there is nothing to indicate that this changes an initial or an earlier action or an earlier course. It only indicates that something that was desired by somebody was accomplished. The fact that someone desires some-

thing does not make it contrary to what would have happened anyway or should have happened anyway.

Mr. HAMILTON. But this is a progress report for the Responsiveness Program, and they are taking credit for doing those things. So I think it is a fair implication.

Mr. HALDEMAN. Sure. But in the same way that a Congressman's office, when someone calls on the Congressman from his district and says, "I would sure like to have such and such done," and the Congressman gets this done, and then he writes back to the constituent and says, "I have accomplished the following for you," and the Congressman may not have done a thing about it.

Mr. HAMILTON. Before we discuss that, let me show you the language used, and see what he says here. And there is an earlier statement on this too, which is right here, which has a little different import, I think it is fair to say.

Mr. HALDEMAN. Perhaps. But you don't know, without knowing the merits of the thing. Senator Tower called us quite regularly about the concern about busing problems down there.

Mr. HAMILTON. My question is, Did you ever have a discussion with Mr. Malek about the possible implication of a criminal statute that makes it illegal to corruptly influence an administrative decision? Did you ever discuss whether some of the activities of a responsiveness program would come under the provisions of that statute?

Mr. HALDEMAN. I recall no such thought or discussion.

Mr. HAMILTON. If you want the citation—

Mr. STRICKLER. I don't want the citation.

Mr. HAMILTON. But there was no discussion of any type?

Mr. HALDEMAN. Not that I recall. Nothing contemplated in terms of something of that sort at all.

Mr. HAMILTON. Did you ever have any discussion with Mr. Malek at all, in either a general or a specific way, as to whether it was improper to take political factors into consideration in a grant-making process? For example, there is an indication in here that a grant from the Labor Department for a migrant worker program was switched because of pressure from Senator Tower and the White House. And I take it that the governing statutes and regulations of the Labor Department do not set out a standard that allows awarding a grant for political considerations. Did you ever have any discussion with Mr. Malek as to whether or not he should really be attempting to influence the grant-making process?

Mr. HALDEMAN. No. As I said, I don't recall discussing the grant part of this with him at all, that is an area I am not familiar with.

Mr. HAMILTON. Did you discuss it with anybody?

Mr. HALDEMAN. No, sir.

Mr. HAMILTON. Did you discuss with Gifford whether or not there was any impropriety in taking steps like that?

Mr. HALDEMAN. No, I don't believe so.

Mr. HAMILTON. Did you ever see a second progress report? We know that there was at least one that was sent to you by Dan Kingsley. Do you remember seeing that?

Mr. HALDEMAN. No.

Mr. HAMILTON. You of course know who Dan Kingsley is?

Mr. HALDEMAN. I know who he is.

Mr. HAMILTON. And it is my information that he took over the responsibility for the Responsiveness Program.

Mr. HALDEMAN. When Malek went over to the committee.

Mr. HAMILTON. Which was around a little bit after the first of July. You don't recall seeing that?

Mr. HALDEMAN. No.

Mr. HAMILTON. Beside the specifics that are listed here in this progress report, do you remember any other specifics that Malek claimed or Kingsley claimed were the result of the Responsiveness Program?

Mr. HALDEMAN. I don't remember these specifics, and I have just looked at them. No, I don't.

Mr. HAMILTON. Just to see if I can jog your memory, did anybody ever talk to you about the fact that the responsiveness operatives were influencing the awarding of architectural and engineering contracts?

Mr. HALDEMAN. No. I have no recollection of that. Is that supposed to be in the Kingsley report? The truthful answer is, I don't know if it is in there or not. It may have been.

Mr. HAMILTON. Do you know why the Responsiveness Program was brought to an end?

Mr. HALDEMAN. I don't know that it was brought to an end.

Mr. HAMILTON. You didn't know that it was brought to an end?

Mr. HALDEMAN. You mean prior to the election?

Mr. HAMILTON. Prior to the election. Did Kingsley ever communicate with you in, say, September or October of 1972, that the program was being canceled?

Mr. HALDEMAN. Not that I recall.

Mr. STRICKLER. Is that a fact, Jim?

Mr. HAMILTON. It is a fact that it was canceled.

Mr. HALDEMAN. You mean they stopped any effort in this regard?

Mr. HAMILTON. Yes. Did Malek ever say to you that he had gotten cold feet because of a memorandum written to him by Frank Herlinger? Do you remember that?

Mr. HALDEMAN. That doesn't ring any bell, no.

Mr. HAMILTON. Or did he say to you that he was calling the program off because the Watergate burglary had become public knowledge, and it was dangerous to have something like this in operation?

Mr. HALDEMAN. I sure don't recall either of those.

Mr. HAMILTON. Can you recall his telling you that all the documents on the Responsiveness Program had been gathered up and burned? Do you recall Kingsley telling you that?

Mr. HALDEMAN. No.

Mr. HAMILTON. And I take it from what you say, you don't recall giving any type of instruction to kill the project either on Malek's suggestion or anybody else's suggestion?

Mr. HALDEMAN. That is correct.

Mr. HAMILTON. And I take it that you don't recall informing the President that the program had been killed for one reason or other.

Mr. HALDEMAN. That is correct.

Mr. HAMILTON. Are there any other facts or specifics as to the Responsiveness Program that I haven't asked you about that you can recall, any conversations you had with anybody, or any facts you know about its implementation, any facts at all?

Mr. HALDEMAN. I don't think so, nothing that comes to mind.

Mr. HAMILTON. I think my last question would be, did you consider this thing a serious program? Were you serious about developing some type of scheme by which departmental responsiveness can be affected? And was the President serious about doing something of this nature?

Mr. HALDEMAN. I can't characterize the President's attitude. I was serious about it in the sense of trying to bring some awareness and sensitivity into the departmental views, and so forth, yes. And not just I; I think that all the people concerned were, including Cabinet officers and other officials through the departments and through the White House.

Mr. STRICKLER. You say that now without embracing the contents of each of these memos?

Mr. HALDEMAN. That is correct. I am talking about the general concept.

Mr. HAMILTON. Do you recall if you ever sought legal advice on this program or instructed Malek to seek any legal advice?

Mr. HALDEMAN. No; I don't recall.

Mr. HAMILTON. So there was no perception that anything that was going on here was either illegal in a criminal sense or was violative of governing statutes and regulations that would control specific programs?

Mr. HALDEMAN. Not in my line, certainly; no.

Mr. HAMILTON. That is all.

[Whereupon, at 5:25 p.m., the interview was concluded.]

FRIDAY, FEBRUARY 8, 1974

**U.S. SENATE,
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES,
Washington, D.C.**

[The following testimony of Mr. Ehrlichman on the Responsiveness Program is a continuation of the executive session hearing of February 8, 1974, appearing in book 16.]

Mr. HAMILTON. My subject is called the "Responsiveness Program." Just to refresh your recollection, if you don't recall it right offhand, it was, according to the testimony we have received, devised largely by Fred Malek; the purpose of it, we understand, was to make the departments responsive to the reelection needs of the President. I would just like to ask you in general, first, what you knew about it.

TESTIMONY OF JOHN D. EHRLICHMAN, ACCOMPANIED BY JOHN J. WILSON, COUNSEL

Mr. EHRLICHMAN. Well, I am not sure I knew much about the formal apparatus, if there was one, or even a formal plan. I knew about a general itch to bring about more political responsiveness on the part of the departments than was demonstrated and I knew that everybody across the board, the OMB and the departments and everybody, were making an effort to be more political in their approach to things. But this long memo that I understand exists, and all this, I am not sure that I ever saw or was specifically aware of.

Mr. HAMILTON. Now the memo you are talking about—

Mr. EHRLICHMAN. That was some kind of a plan or sort of a business-school approach to politics.

Mr. HAMILTON. From Mr. Malek to Haldeman?

Mr. EHRLICHMAN. Yes.

Mr. HAMILTON. You never saw—

Mr. EHRLICHMAN. I have been told about it. I am not sure that I ever saw it. I don't recall ever seeing it.

Mr. WILSON. What is the date?

Mr. HAMILTON. Did you ever see this particular memorandum that went to Ken Cole?

Mr. EHRLICHMAN. December 23, 1971.

Mr. WILSON. I am not asking about that.

Mr. HAMILTON. March 17, 1972, is the one he's asking about.

Mr. WILSON. This is now Malek to Cole.

Mr. EHRLICHMAN. No, not the document itself. No—now wait a minute. Let me look at this backup thing.

Mr. HAMILTON. This document deals with other things besides the Responsiveness Program.

Mr. EHRLICHMAN. Yes.

Mr. HAMILTON. I think there are several other factors covered.

Mr. EHRLICHMAN. The reason that I want to look at it is because this key issues thing is something that I was interested in and that we did work on. Great little organization. You know, they seem to staple every other one upside down. These Malek things were a dime a dozen and I don't think I spent an awful lot of time reading them. No, I am not sure I saw this. Oh, now, wait a minute, what is this thing? I can't tell you. I wouldn't want to tell you I hadn't seen it. I don't have any real, clear, present recollection of having seen it.

Mr. HAMILTON. Do you remember talking with Malek about this Responsiveness Program?

Mr. EHRLICHMAN. Not specifically, no. I can recall talking to Cole about, I think.

Mr. HAMILTON. What was the nature of your discussion with Cole?

Mr. EHRLICHMAN. Well, I think he had been to a meeting or he had been to a series of meetings and he came back and then he conducted a personal meeting with a lot of the Cabinet officers and maybe he did it with Malek, I don't know. Or they went around to the various offices and talked to the Cabinet officers.

Mr. HAMILTON. Cole was involved in that?

Mr. EHRLICHMAN. Yes, I think so.

Mr. HAMILTON. Did he do that with your approval?

Mr. EHRLICHMAN. Yes, yes.

Mr. HAMILTON. You don't remember any specific meeting that you had with Malek yourself?

Mr. EHRLICHMAN. I don't offhand; it could have been, but I don't remember.

Mr. HAMILTON. We have got a memorandum here that is dated February 16 from Malek to Mitchell and Haldeman,* and the subject of it is—I will show you this memorandum. It is, "a meeting to discuss my role and—"

Mr. EHRLICHMAN. There's several of those, I think.

Mr. HAMILTON. And the meeting was with, not only Mitchell and Haldeman, but you and George Shultz. The memorandum indicates that the meeting would be the afternoon of February 16, and it also indicates that the Responsiveness Program would be discussed. I might say we have another memorandum that I showed Mr. Haldeman last time that is undated but has his handwriting where the Responsiveness Program is discussed and Haldeman makes some handwritten notes indicating that he should talk to you and Shultz before he makes any recommendations. I would be happy to let you see these two documents.

Mr. EHRLICHMAN. Yes, I would be interested in seeing these documents.

Mr. HAMILTON. Yes. This one is not particularly illuminating, but that one may be.

Mr. WILSON. Is that the one from Mitchell to Haldeman?

Mr. HAMILTON. Yes; of February of 1972.

Mr. EHRLICHMAN. Oh, this was when he was going to go over to the campaign?

Mr. HAMILTON. Yes; that's right.

Mr. EHRLICHMAN. Oh, I don't think I saw all this script.

Mr. HAMILTON. No. I am sure you didn't see the—I am not sure. Obviously, I don't know if you did or not.

*See Malek exhibit No. 2, p. 8297.

Mr. EHRLICHMAN. There was a meeting at some time to explain to us Malek's role in the campaign and I don't recall when it was and it wasn't a particularly significant meeting as far as I was concerned.

Mr. HAMILTON. Was Mr. Shultz there?

Mr. EHRLICHMAN. I don't think so, but he may have been.

Mr. HAMILTON. And Mr. Mitchell and Mr. Haldeman?

Mr. EHRLICHMAN. I think it was just Haldeman and Malek.

Mr. HAMILTON. And you?

Mr. ERLICHMAN. And me and maybe Cole, I'm not sure.

Mr. HAMILTON. At that meeting, do you remember discussing the Responsiveness Program or departmental responsiveness?

Mr. EHRLICHMAN. Not as such, no. I never thought of it as a program really in those kinds of stylized terms. I was aware of a desire on the President's part that there be more political thought given to decisions than was being given in the departments and every once in a while something would be said at a Cabinet meeting to sort of sensitize people to this desire on the President's part because you are getting an awful lot of really dumb things being done out in the departments that were downing to everybody's political disadvantage and they were just not bright in the political context.

Mr. HAMILTON. How were you aware of this desire on the President's part?

Mr. EHRLICHMAN. Oh, he would say so.

Mr. HAMILTON. He would say so to you?

Mr. EHRLICHMAN. Sure.

Mr. HAMILTON. And do you remember any specific statement that he made?

Mr. ERLICHMAN. No, not anything specific. It would just come up on a case-by-case basis and he would react on the news summary and he would say, "How in the world could a guy do a thing like this?" and how he would react on day-by-day life.

Mr. HAMILTON. Would you say that was a major concern of the President?

Mr. EHRLICHMAN. It was a continuing, not major in comparison to the conditions of the times, but he paid attention to executive management and that was one of the elements of executive management.

Mr. HAMILTON. Could you estimate how many times you heard the President have a conversation like that?

Mr. EHRLICHMAN. No, I couldn't.

Mr. HAMILTON. Would it be 10 or 20 or 50?

Mr. EHRLICHMAN. Over a period of 5 years it would be something like 20 probably. But it wouldn't be—I will now deliver myself of a major pronouncement survey, but "Did you see such and such in the news summary this morning?" and "Do you agree that this and that ought to be done or not be done?" You know.

Mr. HAMILTON. Do you remember any specific incidents that he commented on?

Mr. EHRLICHMAN. No, I don't. I might be—on a lot of reflection I might be able to come up with some. It would be just sort of an indication of unawareness on the part of an assistant secretary or an under secretary or somebody of that kind.

Well, we had a lot of trouble with a fellow named James Allen who was the Commissioner of Education who was doing a lot of things

that were just across the grain politically as far as the President was concerned—that I can recall some specific admonitions about that set of circumstances. That would have been back in what, 1969, or 1970, somewhere back in there.

Mr. HAMILTON. Do you remember the details of any of those?

Mr. EHRLICHMAN. Well, I can't recall what the issue was. It may have been busing or it may have been desegregation, I don't remember just what it was. But it was something like that and Allen got himself off on—he was out on a limb, obviously contrary to the President in substance and also in politics. And he was just not making good sense from a political standpoint.

Mr. HAMILTON. Did you ever hear the President express himself about the awarding of grants or the awarding of contracts?

Mr. EHRLICHMAN. Grants or contracts? Oh, sure. There would be situations that would come up like this. He would have a congressional reception and he'd say : "Say, what's this Corps of Engineers project in North Carolina?" And I would say, "I don't know. What's that about?" He would say : "When Sam Ervin came through the line last night he spent the whole time that he shook my hand arguing that we ought to have the Corps of Engineers complete that project. Do you know anything about it?" And I'd say : "No, I don't know anything about it," and he would say : "Check into it because he sure is exercised about it."

Mr. HAMILTON. I take it from the parties you talked about, that was hypothetical?

Mr. EHRLICHMAN. I don't know, that was the first one that came to mind.

Mr. HAMILTON. Not an actual. Do you remember anything specific?

Mr. EHRLICHMAN. But a lot of those would come up that way and it wouldn't be restricted to Senator Ervin, obviously; it would be other Members and people from the private sector who would contact him in a receiving line and have a comment to make to him and he would comment to me and say get a report.

Mr. HAMILTON. Did he ever indicate to you that the contract award process or the grant award process should be conducted with political awareness?

Mr. EHRLICHMAN. I would say in general, yes; not in specific terms as such, but in general terms, he had the abiding feeling that we were rewarding our enemies and punishing our friends pretty consistently throughout the Government.

Mr. HAMILTON. Did he ever comment to you about the necessity or desirability of making contract awards or grant awards in a way that would further his reelection?

Mr. EHRLICHMAN. No, not as such. It was—I mean, it was never expressed in those kinds of "end results" terms. I think the typical criticism you would get would be from a guy like Sam Devine, for instance. Congressman Devine who would say, "I just don't understand why them fellows in the Department of Transportation do them things that way, Mr. President. For instance, in my district they did this and that and the other thing and I have got a constituent who backed you solid for the last 10 years and do you know what they did to him while all the time they were awarding the dirty dogs on the other

side," and the President would say, "What are we? Out of our minds in this administration? Why do I get criticism like that from a guy like Sam Devine?"

Now there again, that's a hypothetical, but it is not an untypical one, so he would say, "I just don't understand how we could assemble a group of people in a department who could be as callous as that to the realities of life." Well you would check into it and you would find out that the Congressman wasn't always precisely correct in his criticism of the way the award was given, but the President certainly was concerned about those kinds of criticisms.

Mr. HAMILTON. Did the President ever express any concern to you about the fact that certain legal or regulatory decisions were being made in ways that were not politically desirable?

Mr. EHRLICHMAN. Sure. In the same sense that I have just explained to you. I would see something in a news summary, or he would hear from a friend of his at a party or somewhere, that the ICC or the CAB or the FCC had made a decision that was inimical to their interests and he would frequently ask about them.

Mr. HAMILTON. Would he usually ask you to do something with it?

Mr. EHRLICHMAN. No; he would usually ask someone to look into it and do the research on it, and it wouldn't usually—

Mr. HAMILTON. Did he ever ask you whether decisions of regulatory bodies should be influenced?

Mr. EHRLICHMAN. No. To my observation he was very scrupulous about that kind of thing in making sure that we didn't have any persuasive contact with these independent regulatory agencies.

Mr. HAMILTON. I take it that it would be your opinion that if, for example, a treaty was made to the EEOC to drop a discrimination case, that would be improper?

Mr. EHRLICHMAN. Well, EEOC wouldn't be one that would jump to mind as being a regulatory agency.

Mr. HAMILTON. But it does have lawmaking functions.

Mr. EHRLICHMAN. You have to tell me that. I was talking about the ICC or the FCC, those that are conventional regulatory bodies.

Mr. HAMILTON. Landrum-Griffin enforcement?

Mr. EHRLICHMAN. No; I think that would be something that I would consider the Secretary of Labor should be contacted on, if there was something that troubled the President, as a matter of executive consideration. You are asking a technical question and maybe I am not well enough advised but, I think if it was Landrum-Griffin, probably that would be fair game, so to speak.

Mr. HAMILTON. When the President talked about the need for action by the departments to be more politically sensitive, did he talk about it in terms of his reelection?

Mr. EHRLICHMAN. Yes. That's what I say, I don't recall him ever talking about it in terms of reelection. More in terms of we were there and that's the right thing to do. You have a mandate to run the executive branch responsive to your mandate.

Mr. HAMILTON. Do you recall that the President ever gave you or gave Mr. Haldeman any instructions to institute a program or plan of action that would make the departments more responsive?

Mr. EHRLICHMAN. Yes. I am not aware of a formalized program being called for as such. I mean, this, what I call the Harvard Busi-

ness School approach. I know there was a constant admonition to sensitize the departments in these things, but in my experience it was more on a case-by-case basis than it was the imposition of some kind of a structure.

Mr. HAMILTON. Now Mr. Malek has suggested to us that Mr. Haldeman gave him instructions to set up a program of this sort—that is, for Mr. Malek to organize the type of program that Mr. Haldeman wanted. From your knowledge of what the President said to Mr. Haldeman, is it possible that he could have made some kind of suggestion to Mr. Haldeman like that?

Mr. EHRLICHMAN. It was outside my ken; I am not disagreeing that it couldn't happen, but I don't know.

Mr. HAMILTON. But you were aware, at least to some degree, of what the President said to Mr. Haldeman; is that correct?

Mr. EHRLICHMAN. Oh, a very small percentage of their conversations would have been overheard by me.

Mr. HAMILTON. Did you ever discuss this Malek plan with the President per se?

Mr. EHRLICHMAN. Not that I recall.

Mr. HAMILTON. Did you ever discuss it with Mr. Haldeman, after it got going?

Mr. EHRLICHMAN. Well, as I say, you are hitting me kind of cold on this.

Mr. HAMILTON. I realize this.

Mr. EHRLICHMAN. I don't recall the structure itself as being anything that was of much moment to me and I don't have much to do with it. I don't recall really discussing it with anyone. You have refreshed my memory to some extent by looking at this document,* because I do recall talking to Ken Cole about some things that he was doing in the context of Cabinet offices. If this is what it was then I talked to Cole about it. But as far as this elaborate mechanism and all that, it just doesn't ring a bell.

Mr. HAMILTON. Would you ever see any progress reports that were submitted to Mr. Haldeman on the results of the Responsiveness Program?

Mr. EHRLICHMAN. I don't know whether I did or not. I just don't recall any in that sense at all.

Mr. HAMILTON. And I take it—I am sorry to interrupt you.

Mr. EHRLICHMAN. Well, I want to flush out my previous answer. So much of what I saw quickly in here, as relates to the key issues business, I did have responsibility for and we did do and we had a rather intensive operation and I did discuss that with the President, and I discussed it with Haldeman and with a lot of people, so I wouldn't want my answer to be taken as embracing everything that's in that document, because there isn't any question we did have a very vigorous key issues effort underway.

Mr. HAMILTON. I take it from your answer and this is just to be specific on this, that you did not have a discussion with the President on any progress report that Mr. Malek—

Mr. EHRLICHMAN. I don't recall one. I don't recall one in those terms anyway. I did have a number of conversations with the President about the key issues upcoming and defining those. Having him decide on

*See Malek exhibit No. 6, p. 8325.

which ones he felt were important and then doing a lot of work on those issues. And then doing a lot of work in trying to get a perception of the elements of key issues and we spent a lot of time on that.

Mr. HAMILTON. Going back to the Cole memo for a moment. The portion of this memorandum that I am most interested in starts at the page that's not numbered but the caption is "Capitalizing Upon the Executive Branch." That is the portion of the memo that I am most interested in.

Mr. WILSON. "Capitalizing—" what?

Mr. HAMILTON. "Capitalizing on the Executive Branch" or "Upon the Executive Branch." I am not sure which it says.

Mr. EHRLICHMAN. OK. It is a good idea. Try and get everyone to do everything right so the President would be reelected. You are asking me if I saw this or what?

Mr. HAMILTON. Well, I have several questions. One: Did you specifically see that document?

Mr. EHRLICHMAN. I don't remember seeing it.

Mr. HAMILTON. And two: Did you have discussions with Malek or Haldeman or the President about the specifics of the plan that is outlined in that document?

Mr. EHRLICHMAN. Well, I would have to say I don't know. I just don't know. I don't recall doing so, but I don't know at this point.

Mr. HAMILTON. Did you ever—if you are still reading that, I won't interrupt you.

Mr. EHRLICHMAN. No; that's all right.

Mr. HAMILTON. Did you ever learn that the Responsiveness Program had been brought to an end before the campaign was over?

Mr. EHRLICHMAN. No, I don't think so. Not knowing that it had begun or at least not recalling it, it is concomitant, I guess.

Mr. HAMILTON. Yes. You never heard a discussion that it had been called off because Watergate had come to the fore and it was too risky of an issue?

Mr. EHRLICHMAN. No.

Mr. HAMILTON. Did you ever hear that the various documents that the Responsiveness Program had engendered had been collected and burned?

Mr. EHRLICHMAN. No.

Mr. FREEDMAN. You said that Cole went around and talked to the Secretaries of the departments. Was there ever a discussion of having a general Cabinet meeting to deal with the same information instead of going to the different departments?

Mr. EHRLICHMAN. Yes. There was a Cabinet meeting at which it was announced that we were in a political campaign and it would be nice if everybody would help out, so to speak.

Mr. FREEDMAN. Go ahead.

Mr. EHRLICHMAN. You know, it was that kind of pointed remark that it would be great if everybody would, please, be a little bit political.

Mr. FREEDMAN. Did Malek attend such a Cabinet meeting?

Mr. EHRLICHMAN. Probably, I don't know.

Mr. FREEDMAN. OK. Do you recall Malek showing a chart of the key States where departmental action would best serve the reelection effort?

Mr. EHRLICHMAN. Well, not quite in those terms. Malek and Clark MacGregor addressed a Cabinet meeting at Camp David where the key States were shown in electoral terms.

Mr. FREEDMAN. Would that have been around June 5, that meeting?

Mr. EHRLICHMAN. Probably.

Mr. FREEDMAN. And the different voter block groups were there?

Mr. EHRLICHMAN. Right.

Mr. FREEDMAN. All right. In the meeting where Malek defined his role, was there any discussion about affecting specific department action in the way of grants or in the personnel area?

Mr. EHRLICHMAN. I can't really recall what the content of that meeting was. I just recall that the subject was introduced to me that Malek was going to go over to the committee and so on.

Mr. FREEDMAN. In the same vein as the Responsiveness Program, was there ever any effort dealing with career personnel—a general plan?

Mr. EHRLICHMAN. To do what?

Mr. FREEDMAN. To place people in the departments? In a way that would circumvent the Civil Service?

Mr. EHRLICHMAN. Circumvent it?

Mr. FREEDMAN. Well, not actually circumvent it, but I think there was a man by the name of—a plan was devised, I think, in Malek's shop in the same vein, where instead of grants you would work with the personnel in the departments?

Mr. EHRLICHMAN. I don't know about your question, but it was an itch on our part to get friends in the departments rather than the people that we found there, but that was just a general ongoing desire on our part.

Mr. FREEDMAN. Was this in career positions as well as other positions?

Mr. EHRLICHMAN. Sure. Just like—the Democrats did that.

Mr. FREEDMAN. And how would something like that be carried out?

Mr. EHRLICHMAN. By attrition essentially. You'd get replacements and the people you get in the replacements would be hopefully sympathetic with the politics.

Mr. FREEDMAN. And were you essentially in agreement with the White House on the Office of Minority Business Enterprise?

Mr. EHRLICHMAN. Yes.

Mr. FREEDMAN. Could you generally characterize those sentiments?

Mr. EHRLICHMAN. Well, at various times specific actions of OMBE were criticized as being political and there were opportunities—I think it was felt in the White House there were opportunities to encourage and cultivate responsible minority business people and some of this money was going to militants and kooks and radicals and far-out people, and it was just impossible to explain to the Government.

Mr. HAMILTON. Did the President express an interest in OMBE?

Mr. EHRLICHMAN. Yes.

Mr. FREEDMAN. Was there ever a concern with OMBE?

Mr. EHRLICHMAN. Well, the President was in OMBE—not really; not that I can recall.

Mr. FREEDMAN. OMBE works with the SBA, I believe it is in the Commerce Department?

Mr. EHRLICHMAN. I believe it is SBA.

Mr. FREEDMAN. Well, they are not actually the same entities?

Mr. EHRLICHMAN. I understand that, but they were generally considered to be under the same tent.

Mr. FREEDMAN. Was the discontentment with OMBE considered to be with John Jenkins?

Mr. EHRLICHMAN. No; it was just the decisions that were made and a lot of those were not made in the home office, they were just made out in the field office.

Mr. FREEDMAN. You said, that when Malek was defining his role that there was some discussion of him going to the campaign?

Mr. EHRLICHMAN. Yes.

Mr. FREEDMAN. But he didn't really go until July when Mitchell stepped down, is that correct?

Mr. EHRLICHMAN. I don't know.

Mr. FREEDMAN. Do you recall what the discussion was pertaining to Malek going to the campaign in February?

Mr. EHRLICHMAN. Well, I say—don't pin me to February. The meeting that I remember was on the general subject of Malek going into the campaign. Now maybe there wasn't a meeting on this other thing then because the one I recall had to do with his role in the reelection effort.

Mr. FREEDMAN. OK. Are you aware of William Gifford?

Mr. EHRLICHMAN. Sure.

Mr. FREEDMAN. What was his role during the campaign?

Mr. EHRLICHMAN. You mean the committee—I don't think he was there. I think he was in the OMB.

Mr. FREEDMAN. Let me rephrase that. Was his role any different while he was at OMB during the campaign?

Mr. EHRLICHMAN. Than before the campaign?

Mr. FREEDMAN. Yes. Do you recall?

Mr. EHRLICHMAN. Well, his role—as far as I know, his role at OMB was a sort of an expeditor of things that were of concern to Congressmen or party people or other interest-type people to try and get an element of, I guess you would call it political awareness for want of a better term when some committee chairman, for instance, or somebody like Congressman—or Senator Buckley or somebody had a particular problem in working through OMB, a complicated problem. Gifford was designated as a fellow to whom that individual could go and he would then try and find his way through the maze for them.

Mr. FREEDMAN. Did that concern ever come through in the general rubric of the responsiveness operation?

Mr. EHRLICHMAN. Well, I don't know that I would subscribe to the proposition that there was a rubric.

Mr. FREEDMAN. All right. Are you familiar with the term "grantsmanship"?

Mr. EHRLICHMAN. I have read it.

Mr. FREEDMAN. Were you aware of that term being used in the White House?

Mr. EHRLICHMAN. No.

Mr. FREEDMAN. You said that you didn't discuss a so-called Malek plan with the President?

Mr. EHRLICHMAN. Not that I can recall.

Mr. FREEDMAN. Would that be the type of thing that you would discuss with him if there was such a plan?

Mr. EHRLICHMAN. Typically not. That ordinarily would not have been in my ambit.

Mr. HAMILTON. But if the plan like I have described it, it would have affected domestic decisions and of course that was in your ambit?

Mr. EHRLICHMAN. That's right. And what I meant when I said that was, that if there were an instruction from the President to get a fellow to set up a machine or a plan or something of this kind, ordinarily that would not have come to me to do. If it affected me, then eventually I would have been consulted by someone who would have been given the assignment.

Mr. HAMILTON. It would have gone through Mr. Haldeman?

Mr. EHRLICHMAN. Ordinarily, yes.

Mr. FREEDMAN. Did you ever hear of any discussion concerning using computer facilities to log the upcoming grants so people would have a better knowledge of what was available?

Mr. EHRLICHMAN. Only in the setting of the need for computer facilities in the White House to do a whole raft of things. That was one of the things that was discussed as something we might do. And that plan was ongoing for 3 years that I know of.

Mr. FREEDMAN. So it wasn't in discussion primarily in the context of the campaign?

Mr. EHRLICHMAN. No, no. This was a need we felt from the first time we got there.

Mr. FREEDMAN. I don't have any further questions.

Mr. PLOTKIN. I do. Was Fred Malek's Responsiveness Program his brainstorm?

Mr. EHRLICHMAN. I don't know. I have no idea.

Mr. PLOTKIN. When you first became aware of it, had it much credence?

Mr. EHRLICHMAN. No, really. No. I have become aware of it lately as a formalized thing and it, as I say, I don't recall knowing of it as a machinery at the time.

Mr. PLOTKIN. Upon subsequent reflection, would it have been the kind of program that would have been sponsored within the White House at a time—at the time of the President's reelection campaign?

Mr. EHRLICHMAN. Oh, it is obviously not beyond the realm of contemplation. I don't know what you mean by that. It isn't totally out of the question that such a thing could have happened.

Mr. PLOTKIN. But was it the type of program the President would have specifically perceived himself and recommended somebody put together?

Mr. EHRLICHMAN. No; that isn't the way he thought really. He thinks—he would have approached this much more in an ad hoc basis than to say, now I want a big formal plan and I want it submitted to me in advance and I want the machinery and I want people in charge and an organization chart. That isn't the way he operated.

Mr. PLOTKIN. Did you ever hear from the President or from anyone who had spoken to the President of his opinion of the effectiveness of the plan?

Mr. EHRLICHMAN. No; not that I can recall.

Mr. PLOTKIN. Was Mr. Malek particularly politically astute, in your estimation, with regard to campaign procedures and practices?

Mr. EHRLICHMAN. Well—

Mr. WILSON. Does that have to go on the record?

Mr. PLOTKIN. Yes.

Mr. EHRLICHMAN. Let me put it another way. I think that Fred tended to be somewhat theoretical about things governmental and never really did accommodate himself to the slippages and the informalities and the difficulties of putting things in neat boxes. I don't know whether that translates itself into a response to your question or not.

Mr. PLOTKIN. I wouldn't want to put the answer in your mouth.

Mr. EHRLICHMAN. No; that's about the best I can do, I think.

Mr. WILSON. Off the record.

[Discussion off the record.]

Mr. PLOTKIN. On the record.

Based on what you now know of the Responsiveness Program and based on your current statement as to Mr. Malek's political astuteness, do you feel that the Responsiveness Program would have been particularly effective had it been carried out the way it was envisaged?

Mr. EHRLICHMAN. No; I don't understand all—I haven't read carefully this whole document but if I understand it correctly, no; I don't think it had much chance of much success.

Mr. PLOTKIN. Thank you; fine.

Mr. FREEDMAN. Did you receive weekly reports from the Committee To Re-Elect on the activities of the individual voter blocks?

Mr. EHRLICHMAN. No.

Mr. FREEDMAN. You would never get a report about what the Spanish-speaking campaign people were doing?

Mr. EHRLICHMAN. No.

Mr. FREEDMAN. Were you aware of Mr. Marumoto's role in the campaign effort?

Mr. EHRLICHMAN. Only vaguely, very vaguely.

Mr. FREEDMAN. And how did you see that?

Mr. EHRLICHMAN. How did I see it?

Mr. FREEDMAN. Yes.

Mr. EHRLICHMAN. I assume he was in the ethnic role, the fairly classic ethnic role.

Mr. FREEDMAN. Would it be fairly accurate to say Bob Brown had the same responsibilities as Mr. Marumoto?

Mr. EHRLICHMAN. No.

Mr. FREEDMAN. How would you characterize that?

Mr. EHRLICHMAN. Marumoto was in the White House and he had several specific functions with several established committees that dealt with ethnic problems. Bob Brown's role was much more of a generalist and his role in the White House cut across ethnic lines. He involved himself in nonethnic subjects and so he would have much more of a generalist role.

Mr. FREEDMAN. During the election or during the campaign would it be fair to say that Bob Brown was fairly involved in the campaign activities?

Mr. EHRLICHMAN. I don't know.

Mr. FREEDMAN. All right. That's it for me.

Mr. SILVERSTEIN. Just a question. Basically, is this substantially correct that you were not familiar with the Responsiveness Program?

Mr. EHRLICHMAN. That's right.

Mr. SILVERSTEIN. And approximately when did you first hear of it? I am not going to review it, just roughly?

Mr. EHRLICHMAN. Just recently as a formal structure.

Mr. SILVERSTEIN. As a formal structural program?

Mr. EHRLICHMAN. Now I may have heard—someone may have said, "Listen, we are going to try to get more political awareness out in the departments," and I would have said, "hallelujah." But to say there is this paper and there is this structure and reporting lines and all that, I don't think I knew that.

Mr. SILVERSTEIN. In other words, you had, I won't say "a formal conference" with Mr. Malek, but you never spoke to him about a specific program of responsiveness that covers the memorandums that you have seen so far?

Mr. EHRLICHMAN. Well, if I did, it sure left me.

Mr. SILVERSTEIN. I have no more questions.

Mr. PLOTKIN. I guess that's it.

[Mr. Ehrlichman's testimony for this date on another subject is continued in a subsequent book.]

MONDAY, APRIL 8, 1974

U.S. SENATE,
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES,
Washington, D.C.

The Select Committee met, pursuant to notice, at 2:45 p.m. in room G-334, Dirksen Senate Office Building.

Present: Senators Ervin, Talmadge, Inouye, Montoya, and Weicker.

Also present: Samuel Dash, chief counsel; James Hamilton, assistant chief counsel; Gordon Freedman, staff assistant; Michael Hershman, investigator; and Deborah Herbst, research assistant.

Senator MONTOYA. Will you raise your right hand?

Do you swear that the testimony you are about to give will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. MALEK. I do.

Senator MONTOYA. Will you state your name for the record?

TESTIMONY OF FREDERICK V. MALEK

Mr. MALEK. My name is Frederick V. Malek.

Mr. HAMILTON. Mr. Malek, will you please state your address for the record?

Mr. MALEK. My address is 6700 Lupine Lane, McLean, Va.

Mr. HAMILTON. Now, is it correct that you are appearing here voluntarily today without a lawyer?

Mr. MALEK. Yes, sir.

Mr. HAMILTON. What is your present position with the Government?

Mr. MALEK. I am Deputy Director of the Office of Management and Budget.

Mr. HAMILTON. And did you join this administration in April 1969 as Deputy Under Secretary of HEW?

Mr. MALEK. Yes, I did.

Mr. HAMILTON. And did you remain in that position until you became Special Assistant to the President in October 1970?

Mr. MALEK. Yes.

Mr. HAMILTON. And did you occupy that position until July 1972 when you became deputy director of the Committee to Re-Elect the President?

Mr. MALEK. That is correct.

Mr. HAMILTON. And how long were you in that capacity?

Mr. MALEK. Until the day of the election.

Mr. HAMILTON. And did you then return to the White House as Special Assistant to the President?

Mr. MALEK. Yes, I did.

Mr. HAMILTON. And you remained in that post until you became Deputy Director of OMB in February 1973?

Mr. MALEK. That is correct.

Mr. HAMILTON. Now, from October 1970 until July 1973, when you were Special Assistant to the President, what were your principal responsibilities?

Mr. MALEK. My principal responsibilities were in the area of overseeing Government-wide personnel activities with a particular focus on the recruiting of qualified people for high level positions in the Government and also seeing to their motivation, retention, also evaluation of appointees in the administration, so that we had a continuing run on who was doing the job and who was not.

In addition to that, it involved receiving the scores of recommendations which we would receive from the general public, from the Congress, from other elected officials concerning the appointments or positions that were desired in the Government, and referring these as appropriate to the Department, and following up to insure that these were handled in an orderly manner.

In addition to that area of personnel, I functioned as a kind of management consultant or troubleshooter for the President and for Mr. Haldeman on organizational problems which arose mainly within the Executive Office of the President, to try to go into an organization that wasn't functioning effectively, and try to see what the problem was, and to come up with recommendations which would lead to a more effective organization.

There is one other thing I should add. Somewhere around March of 1972, I also took on the responsibilities for liaison with certain activities of the Committee To Re-Elect the President. This concerned mainly working with and coordinating those groups that the Committee To Re-Elect were presenting the President's records to particular voter groups.

Mr. HAMILTON. Now, did you take on this liaison capacity at Mr. Mitchell's request?

Mr. MALEK. Yes.

Mr. HAMILTON. And with Mr. Haldeman's approval?

Mr. MALEK. Yes.

Mr. HAMILTON. Have you fully described the responsibilities that you took on, and was it more than just a liaison?

Let me put that question another way. As of the spring of 1972, what was the scope of your duties respecting the President's reelection campaign?

Mr. MALEK. At the Committee To Re-Elect, as I said, I was responsible for coordinating the activities of those, and helping to organize and give some sense of direction to those people who were engaged in presenting the President's record to particular voter groups. We had nine such voter groups, either established at that point or planned that we would particularly target for presenting the President's record. I also served at that time as a member of the budget committee, or some time after that I was appointed a member of the budget committee. I also occasionally sat in on campaign strategy sessions where general campaign direction was discussed and determined.

As best I can recall, that pretty well covers what I was doing at the committee while I was still in the White House.

Now, you say, all activities in support of the President's reelection. We were trying to assure at that time that we were taking all possible

actions in the personnel area to appoint people who would bring political vitality to the administration, who would be broadly representative of the American people and, consequently, would enhance the President's political popularity.

Also at that time, I was asked to develop a plan for organizing an effort for more systematically channeling requests for information or requests for action from political sources, which would include the Congress, State and local elected officials, and officials of the Committee To Re-Elect the President; to channel these requests to the departments and agencies for response, and the members of my staff worked later on in helping to implement this, primarily serving as a conduit for the requests and the supply of information.

Senator MONTOYA. May I interject here?

Mr. HAMILTON. Yes.

Senator MONTOYA. Would you name the six voter groups that you were concerned with?

Mr. MALEK. Yes, sir. There were young Americans, older Americans, veterans, labor, Spanish-speaking Americans, blacks, and we had another name for it, but it was basically ethnics—Jewish, and there was one more, farm families.

Senator MONTOYA. Farm?

Mr. MALEK. Farm.

Senator MONTOYA. When you were working at the White House, who were your top people, directly under you?

Mr. MALEK. At the White House, I had Dan Kingsley; and under Mr. Kingsley, the top people were Mr. Frank Herringer, Stan Anderson, Jerry Jones, and Rob Davison. They were in personnel and personnel administration and liaison with the departments on personnel matters.

On the recruiting side reporting to me were: Mr. Penn James, Mr. Marumoto, Mr. John Clarke, and Ms. Barbara Franklin. Also reporting to me as assistant was Mr. William Horton.

Senator MONTOYA. Horton?

Mr. MALEK. Horton, H-o-r-t-o-n. I believe that is all. Those are all the professionals.

Senator MONTOYA. They were dealing with personnel?

Mr. MALEK. Except for Mr. Horton, who worked with me on organization projects and the like.

Senator MONTOYA. You may continue.

Mr. HAMILTON. Mr. Malek, as an aid in discussing your campaign roles, I would like to show you three memorandums, which I would like to have you identify, and I will identify them for the record. The first one is a memorandum from you to Mr. Haldeman dated January 28, 1972, entitled, "My Role in Support of Reelection."

[The document referred to was marked Malek exhibit No. 1.]

Mr. HAMILTON. Mr. Freedman will give you a copy of this. The second one is a memorandum from you to Mr. Mitchell and Mr. Haldeman, dated February 16, 1972, which is entitled, "Meeting To Discuss My Role," and it refers to a meeting that afternoon with John Ehrlichman and George Shultz.

[The document referred to was marked Malek exhibit No. 2.]

¹ See p. 8291.

² See p. 8297.

Mr. HAMILTON. The third document is a document that is not dated, and it is entitled, "Organizing For And Implementing New Responsibilities." I believe that the handwriting on this is of Mr. Haldeman. Is that correct?

[The document referred to was marked Malek exhibit No. 3.*]

Mr. MALEK. Well, I can't be certain, but let me go through it a minute. Yes, I believe that it is.

Mr. HAMILTON. For example, on page 3, in the second approved-disapproved, there is an "H" there.

Mr. MALEK. That's what leads me to believe it is.

Mr. HAMILTON. I assume this memorandum went to Mr. Haldeman. And the first line of this memorandum says, "This memo reviews my major activities for the next 9 months."

Would it be correct to assume this was the 9 months immediately prior to the election, which would mean this memorandum was probably written in January or February?

Mr. MALEK. I suppose that is the case, yes.

Mr. HAMILTON. On page 1 of this memorandum, of the memorandum I have just referred to, under the title, "Major Activities," there is a statement that reads as follows:

There are five activities over which I will exercise direct supervision. Citizens/voting bloc, operations, management control, department responsiveness, patronage and personnel.

There are four areas of indirect supervision including constituent group project managers, issue project managers, grantsmanship and communication.

Mr. MALEK. Yes.

Mr. HAMILTON. We are going to get into some of these in some detail later on, but I would like to ask you a couple of questions. When you refer to management control, what does that refer to?

Mr. MALEK. Well, that refers to having some sort of means of evaluating the progress of the campaign in various States, and seeing if it is being carried out effectively. In the past, it has always been very difficult to determine how well the States were organized, how good a job they were doing, whether they were really deserving of further campaign funding and the like. And the idea here was to try to set something up that would provide an evaluation of the progress so that priorities could be set, and you would know where to strengthen an organization, or know whether a request for further funding is appropriate, or whether you needed some additional or replacement personnel.

Mr. HAMILTON. Referencing this term "issue project managers," could you explain what you mean by that?

Mr. MALEK. It is kind of hard for me to recall it without going through the memo itself; so if you don't mind, I will take a little time and look at this to refresh me on it.

Senator MONTOYA. Would you state by way of foundation, who this memorandum was directed to? Was it to Mr. Haldeman?

Mr. HAMILTON. I believe he said it was to Mr. Haldeman.

Senator MONTOYA. It was approved by Haldeman. Was it directed to him?

Mr. MALEK. Senator, I believe that it was directed—I believe it was for Mr. Haldeman to review.

*See p. 8305.

Senator MONTOYA. All right.

Mr. MALEK. "Issue management" means, essentially, as I recall it, to insure that we had people who were thinking about the major and most sensitive issues that would arise, and thinking about the way in which the President should posture himself on these issues on a way that would be not only consistent with his past policy pronouncements, but would also permit his views to be presented in such a way that would gain popularity with the American people.

Mr. HAMILTON. Now, the word "communications" appears in this paragraph under "major activities." Could you briefly explain what is meant by "communications"?

Mr. MALEK. Oh, yes. One of the organizational projects that we had been asked to undertake was to help to organize Mr. Klein's office and that part of Mr. Colson's office that dealt with communications, and try to get them to be able to work together productively and work productively with the departmental communications activities, department PIO's, and that is something that Mr. Horton and my staff had been involved in for some time; and the intention here, that he was to continue to act as kind of a management consultant to these people who were engaged in communications activities.

Mr. HAMILTON. I take it that means communicating the President's programs through the media. Is that what that means?

Mr. MALEK. Yes.

Mr. HAMILTON. Behind this memorandum is a chart entitled, "Citizens/White House Organization Plan."

Mr. MALEK. Yes.

Mr. HAMILTON. And your name appears on this chart right under that of Mr. Mitchell and Mr. Haldeman.

Mr. MALEK. Yes.

Mr. HAMILTON. And there are various types of lines that indicate where you have direct supervision, indirect supervision, coordination, and so forth.

Mr. MALEK. Keep in mind this is not a chart of the way things operated. This was my concept of how it might be structured, and I don't think it operated in exactly this way.

Mr. HAMILTON. That was my question, whether or not this chart, in part or in whole, reflected your role in the campaign?

Mr. MALEK. In part, it does reflect my role. Would you like me to expand?

Mr. HAMILTON. What I would like you to do, I believe, is to indicate where your role diverged from the scheme set out in this chart.

Mr. MALEK. All of those items where it shows direct supervision essentially are correct. The citizens/voting blocs are the nine groups I described. The names here are not correct. For example, Mr. Zarb, who was listed there, did not join the campaign organization. The controller activity, as I described it, is correct. Patronage/personnel handled by Mr. Kingsley is essentially correct.

This other controller function never really came into being. That was designed to be a kind of somebody who would oversee all of these other activities, and funnel in reports. We never really had need for that, so that is not correct.

Special recruiting project; that was in preparation for the new administration, and that essentially was correct. And the departmental

responsiveness, which also has a direct line, is also essentially correct. Those things that show dotted lines, I really did not get involved in, but the solid lines actually reflect how we came to operate.

Mr. HAMILTON. Well, we have a dotted line, and then we have an indirect supervision line. Now, are the indirect supervision lines correct?

Mr. MALEK. The indirect supervision lines do not accurately reflect how we actually went about this. This was my perception of how we might go about it, but I was not giving indirect supervision to Messrs. Colson, Gifford or Cole, or as it shows here, the OMB assistant directors.

Mr. HAMILTON. But it is true, isn't it, that some of the constituent project managers in the White House, like Mr. Marumoto, did report to you? Is that correct?

Mr. MALEK. Well, Mr. Marumoto reported to me essentially on his recruiting activities, but on activities that related to his activities to present the President's record to the Spanish-speaking people, his major reporting relationship there was to Mr. Colson. That would come under constituent project managers here.

Mr. HAMILTON. And Mr. Gifford did not report to you, but you also were at least indirectly in contact with the grantsmanship program. Is that right?

Mr. MALEK. Yes. I would say that a more accurate portrayal would actually happen but not a dashed line, but a dotted line between Gifford and the people listed here under departmental responsiveness. They did have a certain amount of coordination.

Senator MONTOYA. The handwriting on the memorandum, Mr. Malek, is this Mr. Haldeman's?

Mr. MALEK. I believe it is, Senator.

Senator MONTOYA. Do you recognize his writing?

Mr. MALEK. Well, I don't recognize his writing precisely, but there is an "H" on a blank on page 3 which generally looks like the H's he used to make.

Senator MONTOYA. These were his comments back to you after you submitted the memorandum?

Mr. MALEK. I believe so, but I cannot be certain, but I believe that it is.

Mr. HAMILTON. I think I should say for the record that Mr. Haldeman has testified before us to this memorandum, and he did say these were his handwritten notes.

Senator MONTOYA. All right.

Mr. HAMILTON. In the February 16 memorandum from you to Mr. Mitchell and Mr. Haldeman, the document after the cover sheet is a document entitled, "Talking points to establish new responsibilities."

Mr. MALEK. Yes.

Mr. HAMILTON. The first individual listed as "talking" is Mr. Haldeman, HRH; and on the second page, paragraph 4, there is a statement, "to meet this need"—the needs set out on page 1—"John and I feel strongly—and the President has concurred—that Fred should join John at the campaign but also remain associated here."

Now, my question is, did you have the President's concurrence as to the role you were to play in the campaign?

Mr. MALEK. I never talked to the President about that, and I don't know whether we had the President's concurrence or not.

Mr. HAMILTON. Well, did this meeting that is referenced in the memorandum, the cover sheet, actually take place?

Mr. MALEK. Yes.

Mr. HAMILTON. And do you recall Mr. Haldeman making a statement to Mr. Mitchell, Mr. Ehrlichman, Mr. Shultz, that the President had concurred in your role in the campaign as set out in the memorandum?

Mr. MALEK. I do not recall any such statements specifically. I don't really recall much of the specific things that were said, although the content here was generally presented but there were, as best I recall, some variations. I do not recall specifically whether or not the President's name was brought into it.

Mr. HAMILTON. I take it at this meeting the item found in paragraph 2(c) was discussed, that was the role you would have in seeing that departmental actions were supportive of the reelect effort? I take it that was the topic of discussion?

Mr. MALEK. I am really not going to be able to verify specific points of this memo on whether or not they were discussed, because I just don't recall. The major purpose of the meeting was to kind of set me up in this new role, so I could have access to these people and their support in the role; and other than that, it was a very short meeting. It is just I can't recall the specific things that were said.

Mr. DASH. Are these minutes of the meeting?

Mr. HAMILTON. Talking points.

Mr. DASH. In advance of the meeting?

Mr. HAMILTON. Yes.

Mr. DASH. Would these talking points have been submitted in advance of the meeting?

Mr. MALEK. These talking points are provided.

Mr. DASH. Would it be fair to say that when you prepared the talking points of that kind, you subsequently tried to cover the talking points?

Mr. MALEK. Well, it would depend on Mr. Haldeman's reactions as to whether they were appropriate. These were the points I suggested he cover, and he would sit there with the paper and go through them, and he would look at them ahead of time, and then in his own language and with his own variations lay out his points.

Mr. HAMILTON. Was there general agreement at this meeting that you should assume the role that is laid out in this memo?

Mr. MALEK. Yes. Let me say the main focus of this meeting was on the dual role of coordinating the efforts of these voter bloc groups, these constituency-oriented groups, and to play that role in coordinating them at the campaign, and providing some linkage between them and similar activities which were being carried on in the White House.

This all originated when John Mitchell initially asked me to join the campaign organization as his deputy to handle this and several other things, and after talking to Mr. Haldeman about it, he suggested that it would be much better for me to stay at the White House and give Mr. Mitchell some of my time, but to play a coordinating role that would link the campaign activities with similar activities to pre-

sent the President's record in the White House, and also to continue with my other personnel responsibilities. I think that, as I recall it, was the major thing that we focused on in that session. So we probably also touched on some of the other items mentioned here.

Senator MONTOYA. I would like to ask a question at this point now. You mentioned these as talking points, and you discussed these at this meeting, and on page 2 at the top, you referred to the talking points again, and you state: "To meet this need, John and I feel strongly—and the President has concurred—that Fred should join John at the campaign but also remain associated here." Are you, in effect, saying that the President is concurring on the objectives which are outlined in these points?

Mr. MALEK. Well, Senator, I have no way of knowing whether the President concurred or not, or whether he even knew about the fact this was going to take place, but I was suggesting to Mr. Haldeman that the President's name be used in this way, and I also, of course, in my own self-interest hoped that the President was aware of what I was doing.

Senator MONTOYA. Why did you say the President has concurred?

Mr. MALEK. These are my suggestions for what Mr. Haldeman should say. They are not necessarily based on any firm understanding of mine.

Senator MONTOYA. Were you ever told by Mr. Haldeman that the President had concurred?

Mr. MALEK. I don't recall, Senator, whether Mr. Haldeman told me that he had discussed this with the President or not.

Senator MONTOYA. I can't figure out what the term means, in light of what you said before, "and the President has concurred."

Mr. MALEK. I think you can infer two things from that. One, I am suggesting that the President should concur; and second, I am suggesting that that concurrence be mentioned to the group to insure their support and coordination with me. I do not recall whether I knew at this point in time whether or not the President had concurred. I may or may not have.

Senator MONTOYA. Well, had you talked to the President at all?

Mr. MALEK. Not about this subject.

Senator MONTOYA. About other things?

Mr. MALEK. Yes.

Senator MONTOYA. You don't recall that he might have mentioned something about the campaign, what you were doing and so forth?

Mr. MALEK. All of my discussions with the President were related to my role as his personnel adviser.

Senator MONTOYA. Did you ever discuss with him that one of the objectives was to select people who would be helpful in the campaign and contributive to the goals of the campaign?

Mr. MALEK. Yes, sir. We talked to him from time to time about the program to bring more people into the administration that would be representative of groups we felt were neglected, such as Spanish-speaking, and he totally concurred with this. And we reported to him on our efforts to get more women into top positions. I would bring top women appointees in to meet with the President.

These were generally the kinds of meetings I had with the President. They concerned the selection of a particular person, or bringing a

group of new appointees in to meet with him, or concern a policy direction we were taking, such as focusing more on minority and women in making top-level appointments, and up until the time I joined the campaign full time, I do not recall ever having a discussion with the President about the campaign or any activities I had in connection with the campaign.

Senator MONTOYA. Did you also discuss with the President the opportunity that you had to try to coordinate the different departments into making their grants in a way that would be helpful to the campaign?

Mr. MALEK. No, sir. I never discussed that with the President.

Mr. HAMILTON. I believe in response to an earlier question from Senator Montoya, you listed the people in the White House that reported directly to you. I would like to ask you the same question related to CRP.

Mr. MALEK. This is during the period while I was at the White House or afterward?

Mr. HAMILTON. Well, actually at both times, while you were at the White House and after you joined the campaign. I would like to know who reported to you.

Mr. MALEK. Well, I will run through it. It probably will not be complete because my recollection—my recollection would not be complete, but I will do the best I can.

Taking the citizens voting bloc group first, those people whose activities I coordinated prior to joining the campaign included Charles Shearer, who had general responsibility for the citizens groups. These were efforts to present the President's record to the various professional groups. Bernard Delery for labor. I don't believe we had anybody at this point for ethnics until after I got there full time, and then it was a man named Perrace Szmalaga. The black was Paul Jones. The Spanish-speaking Americans was Alex Armendariz. The older Americans was Webster Todd. The young voters was Ken Reitz. The farm families was Clayton Yeutter. The Jewish voters was Larry Goldberg. The veterans was Frank Naylor.

To that list we also added doctors and dentists. The name escapes me, the man who had that role. The lawyer was Dan Pilero. Business and industry, his name was Paul Kayser. Then if we go from that over to the State campaign organizations, which is after I came to the committee full time on July 1, that was really the bulk of my responsibility or at least the area where I spent roughly 90 percent of my time.

Here I had as my chief of staff in the committee Jerry Jones. I take it you don't want me to name all of the people that reported to Jones?

Mr. HAMILTON. Just the major ones.

Mr. MALEK. The major ones that reported to Jones would have been Rick Forr and Lewis Dale.

Mr. HAMILTON. Are these people regional chairmen?

Mr. MALEK. No. I will get to the regional. These were internal people who reported to Jones, people who put together the program material and insured that bumper stickers were distributed on time and at the right place, and these kinds of things. Then I had 10 regional directors, each with a responsibility for a portion of the country. Their names were—

Mr. HAMILTON. I don't know if we need those names, unless the Senator wants them.

Senator MONTOYA. No.

Mr. MALEK. And I believe those were the principal people reporting to me at the committee.

Mr. HAMILTON. In 1971, did Mr. Haldeman ask you or direct you to develop a program to insure that the President in his reelection campaign could fully capitalize on his control over the executive branch?

Mr. MALEK. In 1971, as I recall—and again, this is to the best of my recollection—Mr. Haldeman was concerned that many grants that were being made by the administration were being announced by members of the opposite party, and in some cases not even by elected officials but State political officials of the opposite party, and it distressed him and many of the Republicans in Congress that their opponents and potential opponents should be getting a leg up on them on announcing grants this administration is making; and therefore, he asked me in my capacity as kind of an organizational troubleshooter to determine how the process actually worked and what could be done to make the process more responsive to Republicans.

I did look into this—I did not personally look into it. I asked a member of my staff, Mr. Horton, to look into it. And he did, and he compiled a brief report of what was happening and what he felt should be done to make this more effective.

Mr. HAMILTON. I want to show you, if I might, several documents that embody a plan that you submitted to Mr. Haldeman and others, and ask you to identify them. Let me identify them for the record. The first one I would like to show you is a document entitled "Departmental Responsiveness." It is a memorandum for Mr. Haldeman from you and it is dated March 17, 1972.

[The document referred to was marked Malek exhibit No. 4.¹]

Mr. MALEK. Yes.

Mr. HAMILTON. The next one I want to show you is a memorandum entitled "Redirection of the White House Staff to Support the President's Reelection," a memorandum for Mr. Haldeman from you dated December 23, 1971.

[The document referred to was marked Malek exhibit No. 5.²]

Mr. HAMILTON. The third memorandum is also dated December 23, 1971. It has a similar title as the one I previously showed you, and it is from you to Mr. Ken Cole.

[The document referred to was marked Malek exhibit No. 6.³]

Mr. HAMILTON. And the final one I want to show you immediately is one from Mr. Herringer to you, which is entitled "Responsiveness Briefing of Mitchell" and it is dated April 28, 1972.

[The document referred to was marked Malek exhibit No. 7.⁴]

Mr. HAMILTON. I would like to ask you if you recognize these documents?

Mr. MALEK. Well—

Mr. HAMILTON. And whether you can identify them?

¹ See p. 8311.

² See p. 8320.

³ See p. 8325.

⁴ See p. 8342.

Mr. MALEK. Well, do you want me to refer to them that they are, in fact, valid documents?

Mr. HAMILTON. I would like for you to look at them and tell me if you recognize them.

Mr. MALEK. Yes.

Mr. HAMILTON. I believe most of them we have shown you before in previous sessions?

Mr. MALEK. I recognize the documents.

Mr. HAMILTON. I would like to show you one other document, too. This is entitled "Communicating Presidential Involvement in Federal Programs," and the date, this time on the back, the last page, is June 23, 1971, and the author is William L. Horton.

[The document referred to was marked Malek exhibit No. 8.*]

Mr. MALEK. Yes.

Mr. HAMILTON. And Mr. Horton worked for you, I believe?

Mr. MALEK. Yes.

Mr. HAMILTON. And did he prepare this document under your supervision?

Mr. MALEK. Yes. I believe this is the document I referred to, just a bit earlier, as being in response to Mr. Haldeman's concern about the way in which grants were being announced and so forth.

Mr. HAMILTON. Was this document submitted to Mr. Haldeman, this particular one?

Mr. MALEK. I don't know whether this one was or not. I just don't recall.

Mr. HAMILTON. Do you remember to whom this document was circulated?

Mr. MALEK. I believe it was circulated and discussed with, and I am not sure, I am just giving you my best recollection, with Mr. Gifford and probably with Jeb Magruder and Harry Flemming over at the campaign committee. Possibly others.

Mr. HAMILTON. I believe earlier, Mr. Malek, you indicated to us that it had been submitted to Mr. Haldeman. Is your recollection hazy on that now?

Mr. MALEK. Yes. There is another memo that is a similar kind of a plan, which is the first one, March 17, 1972, which was submitted to Haldeman, but I am not sure whether the first one was.

The second would be March 17; in essence, I believe it took the place of this first one. I don't recall I ever got any instruction on this, and I am not sure we did anything to implement it.

The March 17 document was one, however, that we did refer to, my staff did refer to, for guidance. That was the more definitive document in our eyes.

Mr. HAMILTON. Is it fair to say that the March 17 document was the finalized master plan for what came to be known as the Responsiveness Program?

Mr. MALEK. I would say that would be attributing words a little bit more grandiose than I would to this particular document. I would say it was an outline to an approach to maximizing the political credits that could be gained from various actions that the Government was taking.

Mr. HAMILTON. Did Mr. Haldeman approve the plan as outlined in this memorandum?

* See p. 8348.

Mr. MALEK. Which memorandum?

Mr. HAMILTON. March 17. I am giving you a lot of memorandums here.

Mr. MALEK. I have got one here. I believe he did. But I can't verify it because I don't have anything from him that says that. But I believe that he did. That is my recollection.

Mr. HAMILTON. Now, taking the March 17 memorandum, at page 7 of this memorandum, there is a statement that—and I will read this to you—"The departments must be given a clear understanding of what is expected of them in carrying out the program, as well as the President's full backing of the program."

Now, I am going to get into your meetings with the departmental heads later on, but my question right now is, were the departments informed that this program had the President's full backing?

Mr. MALEK. Well, they certainly were not informed by the President because my request that this be covered at a Cabinet meeting was denied, and essentially the presentation to the members of—the agency heads, and members of the Cabinet was made by me. And I do not recall whether I indicated Presidential support or not. I had no direct knowledge that it had the President's support, but it is conceivable that I could have, in talking to agency heads, that it had Presidential support.

Mr. HAMILTON. If you didn't have a communication from the President face-to-face as to his support of the program, did you receive an indirect communication from Mr. Haldeman?

Mr. MALEK. I may have, but I really don't know. Let me just divert. I might help clarify this. As assistant to the President, I oftentimes would—not oftentimes, but occasionally say to people that the President would like something to be done when, in fact, I had never talked to the President about it. This was something that was used occasionally by other members of the staff as well. The President understood this, that we would occasionally do this. Sometimes it was important in order to get a particular personnel move made that someone felt that the President supported it. And you would know if you went to the President and said, "Would you support it?" You were pretty sure he would, and occasionally he would do that.

I may have said it had Presidential support. The President never told me directly he knew of this and supported it, and I can't recall whether Mr. Haldeman communicated to me that the President supported it or knew about it.

Mr. HAMILTON. Is it fair to say that the goal of the Responsiveness Program was to politicize the executive branch to allow the President in his reelection campaign to capitalize fully on this control?

Mr. MALEK. No, I don't think that would be a fair way of expressing it. I think in the main it was an effort to assure that the maximum political benefits could be gained from the actions of the administration, to insure that people in the agencies were aware that we had an election coming on, and they were doing everything possible to develop initiative that would have political vitality; and therefore, have credits on the President's behavior.

Mr. HAMILTON. If I may refer to the December 23, 1971, memorandum from you to Mr. Haldeman; I would like to read you a portion here.

Mr. MALEK. Which one is that?

Mr. HAMILTON. December 23, 1971. It says, "Responding to your direction, our efforts have been concentrated on three basic objectives," and the third objective that is listed, and I quote, is "To politicize the executive branch."

Mr. MALEK. Yes.

Mr. HAMILTON. Now, is this statement in the December 23 memorandum an accurate account of what you intended to do with the Responsiveness Program?

Mr. MALEK. Well, politicize—you will notice—is in quotes, and I guess we would have to define politicize, and later on in the memorandum, I guess we tried to do that. Let me look at that for a minute.

Mr. HAMILTON. Take your time.

Mr. MALEK. It seems to me what we are saying in essence, what I said earlier, the purpose was to derive political benefits from the programs of Government through communicating the results of these programs in an effective manner through proposing initiatives that would have political appeal through handling issues in a way that would appeal to the interested parties.

Senator MONTOYA. I would like to ask a question. In your memorandum—it doesn't have a date on it—

Mr. HAMILTON. June 23, 1971. It is on the last page.

Senator MONTOYA. On page 2, you have this statement:

* * * initiating grants. In addition to designating "must" grants from pending applications, there may be occasions in which political circumstances require a grant be generated for a locality. When such a locality is identified by the campaign organization, the coordinating group would decide what kind of grant would best meet the needs and available program resources.

A campaign representative would then inform the appropriate local official what to submit. When submitted, it, of course, would be designated a must.

Well, doesn't this put the grantsmanship under political manipulation?

Mr. MALEK. If it was implemented in this way, it would, but this was a paper prepared by a member of my staff in 1971. This is one where I do not remember whether it was ever submitted to Mr. Haldeman. In any case, I do not, to the best of my recollection, it was not acted upon, and in retrospect what is proposed here, even if we wanted to do it, which I would not want to do, be totally unworkable. And I know of no instance—

Senator MONTOYA. Why was it put in here? Didn't you pass on it when it was submitted?

Mr. MALEK. Well, I am not sure it was submitted. That is the point. It was a general outline of how to approach things, drawn up by a member of my staff. I did read it, but it was not acted upon as outlined here.

Senator MONTOYA. Did you have any conversation about whether or not it was a wise step to take, or unwise?

Mr. MALEK. I didn't have any discussions with anyone about it myself, because really this was—

Senator MONTOYA. You were the one final authority before it went to Mr. Haldeman, weren't you?

Mr. MALEK. Yes. But I am not sure this particular paper went to Mr. Haldeman. That is the point. I know it was discussed with other

members of the staff and members of the Committee To Re-Elect the President by Mr. Horton, but I really don't know whether this one went to Mr. Haldeman or not. If it did go to Mr. Haldeman, then I would at the time have looked at it, and I would have signed the cover sheet to him. But I don't have anything in my files to indicate that that in fact happened. If you do, I would be glad to defer to that. But I really don't think it went to Mr. Haldeman.

Senator MONToya. Well, explain the authorship of this particular provision. How did that take place, and where did it go to, and where was it disposed of?

Mr. MALEK. Well, Mr. Horton authored it, and it was discussed with, I believe, Mr. Flemming and Mr. Magruder and I believe with Mr. Gifford, and the idea essentially was to designate those grants that were of particular importance and to try to get the State people to try to identify possible grant applications. But it just doesn't work that way.

Grant applications are highly technical things that are initiated by substantive bodies, and it is utterly foolish to think that a campaign organization or a campaign representative could initiate this kind of thing. So I would have to say this particular paragraph doesn't make a lot of sense, because it is not workable in the first place.

Mr. FREEDMAN. Did this document go to Attorney General Mitchell?

Mr. MALEK. I don't recall whether it did or not.

Mr. FREEDMAN. Could you briefly describe what Mr. Flemming's role was in the White House?

Mr. MALEK. He was not in the White House at this point in time. Did you want me to tell you what he did before that?

Mr. FREEDMAN. Yes.

Mr. MALEK. He left the White House shortly after I joined the White House staff, and his role was handling of patronage and personnel matters.

Mr. FREEDMAN. And he left?

Mr. MALEK. Yes.

Mr. FREEDMAN. Where did Mr. Flemming go? Did he leave the Government?

Mr. MALEK. He left the Government. I don't remember the exact date. It was sometime in early 1971. Then some months later he joined the Committee To Re-Elect the President.

Mr. HAMILTON. Mr. Malek, I would like to go back to the question I asked you a little bit earlier about whether one of the purposes of the Responsiveness Program was to politicize the executive branch, referencing again this exhibit 5 memorandum from you to Mr. Haldeman. I don't want to quibble with you right now as to what you meant by politicizing the executive branch, even though there is a paragraph on page 3, I believe, that deals with this.

Isn't it true that you suggested to Mr. Haldeman that perhaps it would be wise to stop calling this program "politicizing the executive branch" and call it something else like "strengthening Government responsiveness"?

Mr. MALEK. Well, I don't know if it says that in the memo. I haven't looked through the whole memorandum.

Mr. HAMILTON. Let me refer to page 5 and read a paragraph from page 5 that goes like this:

Also to minimize any direct links to the President, there should be no direction on this project in writing. Most of the initiative should come from the department heads themselves. In fact, as this concept is refined further, I propose we stop calling it politicizing the executive branch, and instead call it something like strengthening the Government's responsiveness.

Mr. MALEK. Yes.

Mr. HAMILTON. Why do you think it was necessary to change the name?

Mr. MALEK. Because I think politicizing the executive branch can lead to some gross misinterpretations, and it has a connotation that I don't think is either good public policy or good public relations, and in fact, a point of fact, the way I would define politicizing the executive branch, that really isn't what we were trying to do. I think improving responsiveness of Government was probably more accurately defining what we were trying to do. In fact, in the later memorandum, which lays out the plan or the approach in this area, I believe we do talk about—we have so many memos here.

Mr. HAMILTON. I apologize. We will give you a lot more before the day is over.

Mr. MALEK. I can't wait. But in the March 17, 1972, memo, which you provided me, we talk here—right in the opening sentence of this paper—suggesting a program to improve executive branch responsiveness to the voting public; and that, in effect, is what we were trying to do, because that is the kind of thing that wins votes, the responsiveness to the needs of the public, and if you can act on issues in a way that appeals to a particular constituent group and the public at large, and if you can appoint people to positions that generate the same kind of appeal, and if you try to get underserved groups to apply for and gain grants where heretofore they have been cut off because of their lack of knowledge or inability, these are the kinds of things that do win political points and do gain votes.

Senator INOUYE. Referring to your December 23 memo, page 4—

Mr. MALEK. Yes, sir.

Senator INOUYE [continuing]. About midway down the page, where four points are made; "to emphasize building construction in key States," and the next one is, "expedite disposal of property for parks and schools in key States," and "emphasize dual fuel program in ecology-minded areas of key States with less emphasis elsewhere." What did you mean by "key States"?

Mr. MALEK. Our definition of key States were those States that would be later identified, or perhaps were identified at this point, as being swing States in an election, those that would be very close, mostly as indicated by the polls, and would carry a major number of electoral votes.

Senator INOUYE. In other words, those States that were not key States would not receive building construction contracts?

Mr. MALEK. No, sir; that is not the case at all. What this suggests is that particular emphasis could be provided in the area immediately preceding the election for stepped-up activities and publicity of those activities in key States.

Senator INOUYE. Another point of curiosity: What is dual fuel program in ecology-minded areas?

Mr. MALEK. I am sorry, sir, I do not know what that is. I really don't.

Senator INOUYE. I ask you that now, because the energy crisis is so paramount in our minds. And I suppose it referred to energy. Didn't it?

Mr. MALEK. I really don't know.

Mr. HAMILTON. Mr. Malek, is it fair to say that one of the principal functions of the Responsiveness Program was to insure that the President's reelection needs be taken into consideration in the grantmaking processes that the various agencies and departments were engaged in?

Mr. MALEK. I think that would not be a correct characterization. There were really several purposes. One was to insure that there was adequate consideration given to the inputs from the Congress, from State and local officials, and from campaign officials, and that there was some means by which these concerns could be communicated to the appropriate people in the department so that they could be taken into consideration in whatever way the department felt was appropriate.

Most of these instances came from the Congress. We received some in the executive branch, some 200 requests each week from Members of Congress for expediting a grant, for making a grant, for placing someone in a position or whatnot, and these were perfectly legitimate requests from Members of Congress who are properly representing their constituencies.

At the same time as these come in, we felt it would be politically beneficial to the President and to other Republicans who were running for office, if we were responsive to their requests for information, and if we insured that their requests were responded to quickly.

Also, we felt that oftentimes information would be brought to bear from these sources, and these aren't only Republicans, we get many requests from Democratic Members of Congress as well, that the information that they have be considered in whatever action was being taken. So that was one purpose of it.

Tied in with that, we felt that it was also appropriate for State and local officials and for members of the campaign organization to also have the ability to get their questions answered about where the grants stand in the process, or also to make an input as to their feeling as to why a particular program is meritorious.

Third, and probably the most important, we wanted to insure that we had a means of announcing these grants, when they were going to be announced, that would be politically beneficial. As I mentioned earlier, there was a lot of concern the Democratic Members of the Congress and Democratic Party officials were oftentimes getting information on grants before Republicans and making announcements on them. And this was embarrassing, and the Republican Members of the Congress didn't appreciate that too much.

We wanted to insure that the grant information would go to the Republican Member of Congress, and that he would announce it, or that it might, in some instance, be announced by a White House official or someone from one of the agencies in a way which would gain maximum publicity and credit for the President.

A fourth purpose was to insure that the people in the agencies were thinking about the key emerging issues, so that as the issues developed they would have given some forethought to it and would have developed some thoughts as to the position that the administration should take on those issues, in order to maximize the positive reaction from the voting public.

Mr. HAMILTON. I am going to read you a portion of this March 17 memo that mentioned Mr. Gifford, Mr. William Gifford. I wonder if, for the record, you could state who Mr. Gifford is and what his function was in the White House in 1972.

Mr. MALEK. Mr. Gifford is presently an official of the Department of Treasury, and I believe he works mainly in congressional liaison. At the time of March 17, 1972, he was a special assistant to the President with responsibility for legislative matters and particularly as related to legislative matters between the Congress and the OMB.

Mr. HAMILTON. I believe he was in charge of what is called the grantsmanship program? Could you briefly describe what that was?

Mr. MALEK. Well, Bill Gifford was the funnel for all requests from Congress that were made through OMB regarding grants, expediting of grants, adding consideration even to a grant or contract; and he was a kind of focal point.

I mentioned earlier 200 calls a week. A good portion of these would come into Mr. Gifford's office and he would, in turn, funnel them out to the departments and insure that a response was given to the Member of Congress who generated them.

Mr. HAMILTON. I would like to read to you a portion on page 2 of this memorandum. It comes under the heading that "Present Efforts Tap Only a Fraction of the Total Potential."

I am reading, starting at the top of page 2.

The Department of Commerce provides a good example. To date Gifford has made some 35 requests. Most of these involved expediting the normal grant reviewing process and securing the release of information. Approximately a dozen of these requests resulted in favorable grant decisions (which otherwise would not have been made) involving roughly \$1 million. Politically these actions have been most beneficial.

Nevertheless, in spite of this achievement, the potential is much greater. In the Commerce Department, for example, there is nearly \$700 million in funds remaining in this fiscal year and over \$700 million in the next fiscal year, which could be redirected in some manner. The major areas of potential for fiscal year 1973 are: Economic Development Administration, \$275 million; Regional Action Planning Commissions, \$40 million; Minority Business Enterprises, \$38 million; National Oceanographic and Atmospheric Administration, \$100 million; and the Maritime Administration, \$230 million.

Even if only 5 percent of this amount can be rechanneled to impact more directly on target groups or geographic areas, it would be a substantial increase over the current efforts. To capitalize on such opportunities, the departments must initiate actions themselves. This would entail each department developing a program by which it would systematically but discretely seek out opportunities for improving services to target groups and geographic areas, and then ensure that appropriate action is taken.

First of all, does this passage accurately state the goal of the Responsiveness Program in regard to grants?

Mr. MALEK. Well, it doesn't totally do that, but obviously it is part of the intent that, as stated here, that we felt that the departments should initiate actions to improve services to target groups and geographic areas that were either underserved or for population groups that needed more attention, and through that attention could derive a certain amount of political credit.

Mr. HAMILTON. When you speak of target groups or target areas, aren't you referencing target groups and areas in a campaign sense? In other words, areas where there was a need to increase the President's vote-getting potential.

Mr. MALEK. Yes, but in particular this would apply to those groups that had been underserved; for example, a target geographic area might be the State of California. A target group within California might be Spanish-speaking Americans, and in our estimation they had been underserved. They did not have the sophistication within their community to apply for the kind of Federal moneys that the other groups might, and they had been, in our opinion, ignored by a number of administrations; and therefore, trying to give more attention to the needs of a group like that would have a benefit, and that benefit would result hopefully in their feeling that President Nixon understood their problems; and therefore, would bring political benefit to the President.

Mr. HERSHMAN. If this was being done as late as the end of 1971-72, what was being done previously for these groups?

Mr. MALEK. I think that it was a continuing concern to do something about underserved groups. But what we were trying to do as we approached the campaign was to intensify that sort of thing.

Mr. HAMILTON. Mr. Malek, was it the intention of the Responsiveness Program that grants should go to the target groups and target areas even though these areas and groups were less worthy in terms of programmatic considerations than other groups and areas?

Mr. MALEK. No. There was no intent here to set priorities on the basis of those groups which would derive political benefits. We did feel that consideration for these groups should be one of many factors weighed by a department in making a grant, but we were not suggesting to the departments that they develop their priority list of grants in this manner. They can't. Most grants are prioritized on the basis of peer-review groups or other kinds of professional reviews.

Actually, we were asking that adequate consideration be given to those groups that had been underserved; that consideration be given to information that would be provided by the Congress or by campaign officials or State and local elected officials, and the consideration be given to their inputs in making them.

After all, there are many instances where there is bureaucratic bungling and wrong grants are made simply because the GS-12 or GS-13, who is down there making the decisions, doesn't really have a good sense of what the priorities ought to be, and we felt that the more information that could be brought to bear by a Member of Congress or a campaign official certainly deserved to be part of the considerations. And it is part of the consideration in most grants that are made.

Senator INOUYE. If this were the case, why were you so concerned about adverse publicity, if the intention is so noble and the people served are so in need? I would think that you would like the fullest publicity of everything that is happening from the very birth of the program itself.

Mr. MALEK. Well, there are two reasons for that: One is that the program was designed with the basic intent of building the President's political popularity, and while the political popularity in our opinion is built by good Government, by serving the people well, the basic intent was what is political. And that, it seemed, would not be the best public relations attack to take.

Senator INOUYE. Were you aware that administrations in the past, Democratic administrations, used grant moneys for this purpose, to enhance the incumbent's acceptance in certain areas?

Mr. MALEK. Well, yes, sir. We had evidence that the political considerations were taken into account in past administrations in the awarding of grants.

Senator INOUYE. Was this effort similar in nature?

Mr. MALEK. Not being intimately familiar with what past administrations have done, or any abuses they might have subjected the system to, I really hesitate to say because I am not familiar enough. I will say this, however, that what we were trying to do here is not different than what we do in considering the several hundred requests from Congress we get every week, which was to insure that there were some means, when a campaign official wanted to know something, where does a grant stand, or have we a real problem down here, and I think you ought to make this grant, to have some pipeline so he could make that view known or get that question answered. We perform this service on a regular basis for Members of Congress. We get pressured from Members of Congress on many occasions on this sort of thing. And it is a perfectly normal part of the governmental process.

I do not think it is inappropriate for a Member of Congress or a member of his staff to want to know about a grant or push for a particular grant that is going to benefit that Congressman's or that Senator's constituents. He is representing his constituents. But it does sometimes result in pressures being brought to bear, and it does result in some cases in decisions being changed, but that is not all bad because sometimes the information that the Member of Congress is bringing to us is something that no one really knew about or considered adequately.

So all we were really trying to do was afford the same opportunity to converse with the executive branch in a responsible manner with State officials and campaign officials.

Mr. HAMILTON. In this regard, I asked you earlier whether or not it was the intention of the program that grants should go to politically desirable target areas or groups even though those areas or groups were less worthy in terms of programmatic considerations. And I believe you said, "No." I would like to read you a passage from Mr. Horton's memorandum of June 23, 1971 [exhibit 8]; first, on page 2. This is the passage that Senator Montoya referred to earlier under the heading, "Initiating Grants."

In addition to designating "must" grants from pending applications, there may be occasions in which political circumstances require a grant to be generated for a locality. Once such a locality is identified by the campaign organization, the coordinating group would decide what kind of grant would best meet the needs and available program resources.

A campaign representative would then inform the appropriate local official what to submit. When submitted, it, of course, would be designated a must.

Turning over to page 3, reading under the heading "Dealing With the Departments."

Gifford must be flexible on pushing a "must" grant in case it turns out to be substantively irresponsible or an obvious waste of Government funds relative to other pending grants. In such cases Gifford should weigh the substantive

drawbacks and risk of adverse publicity against the expected political benefits, consulting with others as needed.

He should then make a final decision on whether the grant is to be approved. Also in order to minimize the risk of embarrassment to the President the volume of grants designated "musts" in any one department should be limited.

Now, is it fair to say that these passages that I have just read to you advocate that, in some instance, a grant which is substantively irresponsible or is an obvious waste of Government funds relative to other pending grants should be approved if the expected political benefits of the grant are high enough? Is that a fair reading?

Mr. MALEK. Absolutely not. As I pointed out earlier, this is a memo that was done back in 1971 by a member of my staff. It never constituted a plan that we acted on. I don't even know whether I approved it personally or even submitted it to Mr. Haldeman. It is simply the work of a member of my staff in responding to a concern on Mr. Haldeman's part that we weren't doing the right kind of job in gaining political credits for the grants being made. I explained that earlier. I do not feel that this particular piece of paper is representative of either the intent or direction that the program ultimately took.

Mr. HAMILTON. So what you are saying is that the Responsiveness Program—

Mr. MALEK. What I am saying is you have another memo in front of you dated March 1972, I believe, which essentially outlines the approach that we did take. And that is one that I did forward to Mr. Haldeman, I believe. And I am saying this one does not constitute, to the best of my recollection, the actual document.

Mr. HAMILTON. Are you saying that the Responsiveness Program did not have, as a fundamental point, the pushing of grants that were politically desirable, that might be less desirable in terms of programmatic consideration?

Mr. MALEK. What I am saying is that the substance of the memo is something that was not acted upon. I am further saying that there was never any intent for a grant to be made that was substantively irresponsible or a waste of Government funds.

I do acknowledge that where a grant had political benefits, that became known to the Committee To Re-Elect, or to Mr. Gifford, or to a member of my staff, that this information should be forwarded to the department that is going to make the grant, and they should take that into account, as well as the many other factors that they take into account in considering the award of a grant, just as they take into account, and are asked to take into account 200 times a week, the same kinds of requests from Members of the Congress.

Let me clarify one other thing. No one at the White House, including Mr. Gifford, is in the business of making grant decisions, and it is not an inconsistency in this memo why it is not an approved document. It is talking about Mr. Gifford making decisions. He did not make grant decisions. The departments and agencies make grant decisions.

Mr. HAMILTON. No one in the White House was involved in the decisions?

Mr. MALEK. I can't say that no one in the White House was ever involved in any grant decision. But on a normal basis, on those that had political interests, the basic decision would have to be made by the department.

Mr. HAMILTON. Do you know of anybody in the campaign committee that was involved in grant-making decisions?

Senator INOUYE. May I ask, Mr. Malek, technically I suppose the secretary of the department has to sign a certain document to approve this grant. But I believe the question is: Was there someone else, not in the department, possibly in the White House or in the committee, who had sufficient authority to call upon the department head or his associates and make a strong suggestion, if I may use that phrase, to make this grant?

Mr. MALEK. Sir, there was an established means by which there could be a communication from the White House to a department discussing the political impact of a particular grant decision, and the person making that contact could, of course, express his opinion as to how beneficial it was, and make the case in strong terms. But it was not his role or authority to actually make the decision, because he couldn't possibly be aware of the many tradeoffs involved and couldn't possibly be in a position to judge the quality of the grant application.

Let me describe how this worked. An idea generated from the Committee To Re-Elect the President or from somebody in the field organization would be channeled to a member of my staff, who was assigned to this, or to Mr. Gifford. If it came to a member of my staff, it would generally go to Mr. Gifford. And the request, whether it be for information or whether it be a strong suggestion for a particular grant, would then go to the appropriate department.

The department would analyze it, and respond with the information, if it was just information, or if it was a request to some positive action, they would analyze it, determine whether it was possible, and generally get back through the member of my staff and Mr. Gifford, who initiated it, and would then report that back to the committee.

That is the way it worked. But I am aware from reading Mr. Marumoto's testimony at some point that he testified that in some of the minority enterprises, business enterprise grants, that he and Mr. Armendariz, from the Committee To Re-Elect, had the opportunity to review some of these before they were made. I am aware of that testimony, and I am not in a position to either affirm it or refute it, because I really had no knowledge of that.

But other than that particular piece of testimony that I have read, I am not aware of anyone else in the White House signing off or making grants of this sort. The one exception to this is in preparation of the budget each year; the Office of Management and Budget gets involved with the Department of the Interior and the Corps of Engineers on prioritizing and deciding on the reclamation and water construction grants that are going to be made for a given year. These are major projects, major commitments of funds. But that is a traditional OMB function and not something that the White House is very heavily involved in.

Senator INOUYE. In other words, Mr. Malek, as far as you are concerned, you have never called any department and strongly suggested the approval of any grant?

Mr. MALEK. I have on one occasion called a department Under Secretary to ask that he get personally involved in trying to work out a grant that had been brought to my attention by a campaign official. This was the situation in Los Angeles where a Model Cities grant to

a Mexican American group in East Los Angeles was pending, and had been widely publicized, and everybody knew in the community it was pending, but it had been held up by the local HUD officials because of some local political squabble between the leaders of the black community and the leaders of the Mexican American community. And I called Mr. Van Dusen at HUD and told him about this, as it had been relayed to me by our California reelect chairman, and asked if he would personally look into it to see if that problem could be worked out, and if the grant didn't in effect have the merit it was said to have, to see if he could work out the problem so it could be processed. This is the only occasion that I can recall having called the Department personally on a grant. In this case, I believe he did intervene and went out to Los Angeles and looked into it. And I believe he was able to work out the problem, and a very meritorious program was brought to bear.

Also, I might add, it was politically beneficial because, again, we were doing something for an underserved group.

Mr. HAMILTON. I think I have one question pending, and that is whether it was not a tenet of the Responsiveness Program that an irresponsible grant or a grant that would be a waste of Government funds would be approved if it were politically beneficial, irrespective of this particular memorandum we are talking about.

Mr. MALEK. No, Mr. Hamilton. It was not an intent of the Responsiveness Program that anything be approved that would be either substantively irresponsible or a waste of Government funds.

Mr. HAMILTON. And you would have disapproved anything of that nature?

Mr. MALEK. Yes, sir.

Mr. HAMILTON. Did anyone who read the Horton memorandum of June 23, 1971, express disapproval to you as to the contents of that?

Mr. MALEK. I don't recall that anybody did. They could have.

Mr. HAMILTON. Did anyone express disapproval to Mr. Horton of his notions in there?

Mr. MALEK. I don't recall that I did, but again it was not a memo that we acted upon. It was something he had drafted, and he had discussed with others, but to the best of my recollection, it was not a memo that was acted upon or served as a basis for any action.

Mr. HAMILTON. When he prepared some of the later responsiveness memos, like the March 17 document, did you instruct him that the notions that he had in the June 23 memo were not acceptable and should not be included?

Mr. MALEK. No, sir. At this point in time, I am not even sure I was aware we had an earlier memo. The important thing to me was the memo that we had then and which we did submit.

Mr. HAMILTON. Was it also part of the Responsiveness Program that certain legal or regulatory actions taken by the departments and agencies should be formulated and taken in accordance with the President's reelection needs?

Mr. MALEK. I don't recall that that was intended or not, whether we intended that. Well, I guess I don't recall exactly, but you may have it highlighted in one of these papers. But it is quite possible that we

did want to have the same sort of liaison with certain regulatory agencies, although we never set up any contacts or anything like that in the regulatory agencies. But it is conceivable when we had a question or a request from a campaign official, that we would want to channel it to a regulatory agency, just as the Members of Congress have the opportunity to do so. That is conceivable. I don't recall it.

Mr. HAMILTON. On pages 3 and 4 of the March 17 memo, there are several headings. The first is "Suggested action." Then right under that is "Departmental action." Then there is a section called "Guidelines."

Under guidelines, there are three or four sentences I would like to read.

As a first step, the departments should be given clear guidelines covering the political priorities, the types of operating decisions which are to be included in the program, and the procedures for planning and tracking progress.

The political priorities would be spelled out in terms of key States and major voting bloc groups upon which departmental action could have an impact. The departments would be updated as needed, as the political priorities evolve.

Next the types of activities covered under this program would be discussed. The major ones, of course, are positive decisions, e.g. project grants, contracts, loans, subsidies, procurement and construction projects, and negative actions, e.g., taking legal or regulatory action against a group or governmental body, major cutbacks in programs and relocation of department operations.

Now, focusing on that last sentence where you describe "negative actions," and include as an example the taking of legal or regulatory actions against a group of governmental bodies, is it fair to say that this passage indicates that controlling or directing legal or regulatory action was part of the responsiveness program?

Mr. MALEK. Let me start first by defining. We are talking about Cabinet departments or executive branch agencies, operating agencies. We are not talking about regulatory actions here. We are talking about agencies like SBA or EPA, but not agencies like FPC or FCC. We are talking about operating agencies.

As I can best recall, I don't believe anything was ever suggested to a department in the nature of a legal regulatory action. Although the intent here was that, again, there be a channel for communicating concerns or getting questions answered concerning these kinds of matters, the same as in connection with the grants.

Mr. HAMILTON. Is it your testimony then that the affecting of legal or regulatory actions by the departments or the agencies was not part of the Responsiveness Program?

Mr. MALEK. I do not recall any actions that were taken to affect legal or regulatory actions. However, at the same time, I am sure that if we had a concern expressed by a campaign official, just as we would if we had a concern expressed by a Member of Congress concerning a legal or regulatory action of a department or agency, that we would forward it in the same way, that information in the same way to that department or agency for their consideration and response.

Mr. HERSHMAN. I would like to establish a difference between a campaign official and a Member of Congress. I believe it would be the legitimate right of a Member of Congress to inquire concerning matters which affect his constituency?

Mr. MALEK. Yes.

Mr. HERSHMAN. So how does it become a right of a member of the reelection committee?

Mr. MALEK. Well, tell me how it is a right of the Member of Congress? Why does a Member of Congress have the right to—I don't really know if he has a statutory right to interfere in the executive actions to the point of pressing for a particular grant or holding up a hearing on a particular bill that the administration is interested in, until the grant to his project is made. I don't know what statutory authority a Member of Congress has, but it is done all the time.

Mr. HERSHMAN. You see no difference between—

Mr. MALEK. I am trying to find what the first is. I do see a difference. A Member of Congress is elected by the people to represent those people. A campaign official is not. There certainly is a difference.

I think it is demeaning to the Congress to answer any other way. But certainly I do feel that a Member of Congress has a right to inquire into the activities of a department or agency, and to inquire or even press for a particular grant because he oftentimes has information at his command that people in the department may not have. I think that is established, and in my view that is proper. Whether it is statutorily his role or not, I don't know. I am not a lawyer and haven't studied it. So certainly there is a difference between a Member of Congress who is elected by the people.

Mr. HERSHMAN. You have certainly well explained the responsibility on the part of a Member of Congress in these areas. I would like for you to explain the responsibility on the part of members of the Committee To Re-Elect in these areas.

Mr. MALEK. If any member of the public were to write me a letter or to write a letter to any White House staff official asking about the status of a particular grant or making a case for a particular grant, that letter would be responded to. It would be forwarded to the department. The department would prepare a response, and we would answer the man's question.

If he had a particular point of view to bring to bear, that would be sent to the program official of the department, eventually, so that he could look at it and respond to it. All we were doing was insuring that there was a way for a reelection campaign official to communicate in this same way but faster, and with a little better chance of getting a rapid response and insure that consideration be given in a timely manner.

I think it is the right of any American to be able to express his views to his Government, or to expect an effort from his Government about where a particular grant is in the process or whatever. What I am saying is, I don't think there is anything wrong essentially with someone requesting the same information; any American in a position to request. And all we were doing was setting up a mechanism to insure that expeditious handling was given to the requests that were being generated by the campaign official.

Mr. HERSHMAN. Don't you consider the motivations of the American public, who makes an inquiry, a bit different from the motivations of those in a political organization?

Mr. MALEK. There are some differences. I think requests from the American public are basically looking to their own self-interest. If

somebody makes a case for a particular grant, he wants that grant to be awarded, and it probably benefits him or people he is associated with in some way.

Mr. HAMILTON. I want to show you another memorandum, that was not to you or by you, from Peter Millspaugh to Harry Flemming. The reason I show it to you is that it mentions Mr. Horton was participating in some of the discussions involving patronage, which is the topic of this memorandum, and it was also written on June 23, 1971, which is the same date as the Horton memorandum we have been discussing.

[The document referred to was marked Malek exhibit No. 9.*]

Mr. HAMILTON. Would you look at this and see if you have seen this, if you are familiar with this?

Mr. MALEK. I am not familiar with the memorandum. This is the first time I have seen it.

Mr. HAMILTON. Would you look at the third page, at the document that is attached, and is entitled "The Basic Types of Patronage"? It may be the fourth page.

Mr. MALEK. Yes, sir.

Mr. HAMILTON. Have you ever seen this document before?

Mr. MALEK. I don't recall ever seeing it before.

Mr. HAMILTON. Let me ask you a question related to this document, the document that is entitled "The Basic Types of Patronage." It lists jobs, revenues, and then point three is "Execution of Federal law (resides mainly in Department of Justice whose interpretive power touches every vested interest)." Would you consider the execution of Federal law a type of patronage?

Mr. MALEK. Absolutely not.

Mr. HAMILTON. So you are saying you would disagree?

Mr. MALEK. I strongly disagree with that.

Mr. HAMILTON. With the conclusion reached in this particular memorandum?

Mr. MALEK. Yes, sir.

Senator INOUYE. If I may, since you are on this page. On the second item, "revenue," would you consider these to be legitimate, such as bank deposits?

Mr. MALEK. No, sir.

Senator INOUYE. Contracts as patronage?

Mr. MALEK. No, sir.

Senator INOUYE. Grants? Subsidies to the needy?

Mr. MALEK. I don't think any of these things are appropriate uses of patronage, as I understand patronage. I define patronage as giving preference to the party in power, and the supporters. And I don't think it would be appropriate in any of these.

In terms of jobs, on the top, I think it is appropriate for a President and his appointees also to appoint people of his political persuasion and philosophy in an effort to get a philosophy consistent within an administration. To the extent that can be considered patronage, I would agree, but I would not agree with any of the things listed under revenue.

Senator INOUYE. How about No. 5; travel?

Mr. MALEK. Well, I really don't know what he means there.

* See p. 8358.

Senator INOUYE. I would suppose, in order to be within the law if one is to attend an international conference, he has to be appointed by the President or some delegate. Was the appointment of the delegate a basic type of patronage to represent the United States?

Mr. MALEK. Again, Senator, I would have to say that while the qualifications of an individual would and should be the primary consideration, that as in personnel appointments the President or his other major appointees could be expected to appoint people to these delegates who, again, represent his political philosophy.

Senator INOUYE. I know it is done all the time.

Mr. FREEDMAN. Could you identify for the record who Peter Millsbaugh was in the White House?

Mr. MALEK. Peter Millspaugh worked for Harry Flemming at the White House, and then when Mr. Flemming left, he became an assistant to Harry Dent.

Mr. FREEDMAN. And his function was?

Mr. MALEK. Well, I am not too familiar. Under Mr. Flemming, he was involved in patronage, personnel/patronage activities, and I don't really know what he did under Mr. Dent.

Mr. FREEDMAN. And Mr. Flemming handled personnel matters before you did?

Mr. MALEK. Yes, sir.

Senator INOUYE. Mr. Horton, did he work for Mr. Haldeman?

Mr. MALEK. Well, he worked for me, sir. He was an assistant to me.

Mr. HAMILTON. Mr. Malek, I would like to ask you a few questions now about the operation of the White House personnel office and its relationship to the campaign and the Responsiveness Program. In regard to the campaign, what was the role of the White House personnel office?

Mr. MALEK. In personnel matters we are talking about?

Mr. HAMILTON. Yes.

Mr. MALEK. As I recall it, there was no really strong relationship between the campaign and the White House personnel operation, although we did encourage the leadership of the campaign to suggest appointments that would be politically beneficial. As a practical fact, they didn't really come up with any, not many suggestions.

We did in addition to that, however, work in our own regard to support the President's reelection primarily by trying to appoint people to advisory commissions or full-time positions who, while qualified, also represented groups that would gain political benefits. I hate to keep going back to the Spanish-speaking Americans, but I think this is a very good example of where we did appoint a number of very fine people of Spanish-speaking Mexican descent to high-level posts in the administration with, frankly, a dual intent: one, to tap what had heretofore been an underutilized resource, but at the same time to gain political credit amongst Spanish-speaking people around the country.

We had a similar program going on with women which Ms. Franklin headed. Again, it was a dual kind of mission, dual kind of purpose. One was to tap an underutilized resource, mainly women who had been given the same opportunity as men to grow into executive positions, and the second was to appeal politically to women by demonstrating

the administration's concern and desire to use women in high positions. We did the same thing with blacks, and to a lesser degree with other minority groups.

Senator INOUYE. We will stand in recess subject to the call of the Chair.

[Whereupon, at 12:30 p.m., the subcommittee recessed to reconvene later the same day.]

AFTERNOON SESSION

Mr. HAMILTON. I think we ought to backtrack just a bit because, I believe, I asked you one question about the function of the White House personnel office in the campaign before we broke, and I believe you gave an answer, but I think it might be well, since this is a new subject, to ask you that question again for Senator Talmadge's benefit.

Mr. MALEK. The function of the personnel office at that time, with relationship to the Committee To Re-Elect the President, was rather minimum. We did suggest to personnel at the committee that they suggest people for appointment to jobs or advisory commissions and the like and that we would consider those—that they might be politically beneficial. In point of fact, they did not come up with too much. At the same time—and we are talking now, Mr. Hamilton, are we not, about principally personnel as related to the support of the campaign?

Mr. HAMILTON. That is right.

Mr. MALEK. We also engaged in several programs to help bring representatives of various minority groups into the Government, into high-level positions. We did this with women, we did this for Spanish-speaking, for blacks, for other minorities with really a dual intent. One, to capitalize on what had been, in our view, an underutilized resource in many of these areas. These people had not been used enough and, secondly, by bringing people into positions of this sort, it did provide political benefits because it demonstrated our concern and our interest and belief in the particular group represented.

Mr. HAMILTON. During campaign time and, in fact, before the campaign began, were the departments and agencies asked to consider individuals for career jobs, for civil service jobs on the basis of political considerations?

Mr. MALEK. The main focus of our activity was on non-civil-service jobs, so-called schedule C posts. We would, at the same time, refer requests or recommendations to the departments for career positions, but in these cases, the individuals had to compete and qualify under the normal Civil Service Commission regulations and standards. These would include the many recommendations we—in the main, it would include recommendations from the Congress, I would say. If I had to break out the 400 or so requests each month we got for employment, I would say 75 percent of them would come from Members of Congress who would have a constituent or a friend or someone who they would be suggesting for Federal employment, and would like the White House to give special attention to. These might be for career, they might be noncareer jobs, and we would normally forward these to the departments or agencies and ask them to consider it and to review the files, review the person's qualifications, and be responsive to the Member of Congress originating the request.

Mr. HAMILTON. Were the departments asked to take into consideration political affiliation or political benefit to the President's reelection in hiring career personnel? In other words, competitive service personnel?

Mr. MALEK. I do not recall ever asking the departments to consider political persuasion in hiring career people.

Mr. HAMILTON. Let me show you a few documents. The first document I would like to show you is a form—the particular document, and, Senator, we will show you one also, dated August 30, 1971. I am just concerned about the form of it right now, Mr. Malek. This particular document is a memorandum for Dan Kingsley from Clark MacGregor. Subject: William Edward Bennett. Was this form a standard form that was used to refer people to your office?

[The document referred to was marked Malek exhibit No. 10.*]

Mr. MALEK. Yes; I believe this form was developed and distributed to certain members of the White House staff so that there would be a consistent way of recommending someone. Now Clark MacGregor was responsible for relationships with the Congress, and therefore, before we would act on any recommendation from the Congress, we would want to gain the opinion of those who deal with the Congress on a daily basis and would have a better insight into what the particular Member of Congress had in mind and how important it was to him. And they would indicate on this form—now, in practice, I don't think the form was used all that much because—not because we didn't want it to be. I think people just didn't conform to the use of the form.

Mr. HAMILTON. Was this form used outside the White House? For example, was this form distributed to CRP?

Mr. MALEK. I don't recall that it was. I don't think that it was.

Mr. HAMILTON. So it was just used within the White House proper?

Mr. MALEK. I believe so.

Mr. HAMILTON. Now, if you look at section 4 of this form, there is a heading entitled "Value of Placement to the President Politically."

Mr. MALEK. Yes.

Mr. HAMILTON. And then there were four categories. The first one: "Highest political value, must place"; second: "High political value, place if possible"; third: "Moderate political value, handle courteously"; and the fourth: "Little political value, handle routinely."

In other words, you are asking the people who referred individuals to make a judgment as to the political value to the President of placement. Is that correct?

Mr. MALEK. Yes. You have to understand, again, that roughly three-quarters of the recommendations were coming from Members of Congress and a good portion of the others from other elected officials, and we wanted to have some sense as to, really, how important it was to the Member of Congress. If, for example, a Senator or a Congressman in either part was making a recommendation, many times they would be making a recommendation just as a courtesy to a constituent who said, "I want a job."

In other cases, they would be making a recommendation based on some very deep personal conviction that this person was highly worthy and they would feel very strongly about it, in which case, it would be

* See p. 8363.

of high political value to the President to try to respect the judgment and recommendation of that particular Member of Congress. And that is, essentially, what they were trying to do here.

Mr. HAMILTON. Let me ask you about the second document that I gave you. This is another form, and this particular form is dated May 14, 1973, and it is to Mr. Al Kaupinen—I guess that is how you pronounce it? It is K-a-u-p-i-n-e-n—who at this time was at the GSA. I believe Mr. Kaupinen previously had been at the Committee To Re-Elect?

[The document referred to was marked Malek exhibit No. 11.¹]

Mr. MALEK. That is correct.

Mr. HAMILTON. It is from a Mr. William Lamont, and it refers to a referral of Stuart Weeks. Was this form the form you used to make referrals from the White House to the agencies and departments?

Mr. MALEK. I have never seen this particular form before. And I do not believe it was ever used when I was in the White House. It seems to me to be a new innovation since I left that post.

Mr. HAMILTON. So this was not used when you were in charge of the personnel office?

Mr. MALEK. I don't believe it was. I can't say that some of my staff might not have used it. I have never seen it before.

Mr. HAMILTON. Referring to this form, it does say on here "This candidate deserves a must, high priority, courtesy, or routine referral" consideration for a position in your agency.

Is it true that even if this form was not used, that you were instructing the agencies and departments when you referred names to them, whether or not the placement was a "must" political placement, or a "high priority" political placement—

Mr. MALEK. During my tenure in that particular position, we did use the term "must place" occasionally. Rather than taking that literally, it meant that it was the highest priority and that we would want the agency to search very hard for an appropriate position.

Mr. HAMILTON. So, in other words—

Mr. MALEK. But let me point out, there were many cases when we would send a "must place" to an agency and it would come back saying this person just doesn't qualify and we cannot comply. So it wasn't a "must place" in terms that it always was complied with.

Mr. HAMILTON. Let me show you and the Senator another document, and this is from Stan Anderson to Mack Warren, who I believe was at GSA. Mack Warren, at GSA, from Stan Anderson. Senator Talmadge, for your benefit, Mr. Anderson worked for Mr. Malek at the White House. This is dated November 9, 1971, and the subject is a Mr. Leslie Cohen, and this indicates that Mr. Cohen is rated as a "1" or "must" placement. Would this be an example of the type of memorandum that would go out from the White House suggesting that someone was a "must" political placement?

[The document referred to was marked Malek exhibit No. 12.²]

Mr. MALEK. I don't know if this is an example of something that happened frequently or not, Mr. Hamilton. My staff would communicate with the agencies on these. I didn't audit their correspondence or

¹ See p. 8364.

² See p. 8365.

how they did it. They probably did it sometimes by telephone. I really don't know how they would normally communicate it.

Mr. HAMILTON. But the basic question is, whether or not your staff was asking the agencies and departments to take into consideration political considerations in hiring, and I take it the answer to that is yes. Is that correct?

Mr. MALEK. Now, I think we have to differentiate here. There are two different ways to approach this. One would be to say that for this particular career position, we want you to hire this person because of his political—the political advantages, regardless of who else is qualified, or whether that person we are recommending is qualified. That, we were not doing. What we were doing in the case of a career position is we would be submitting the name of a person to a department and asking them to determine where this person would be qualified to serve. And then, once determining that, that they were qualified and competitive, to serve in that position, to try to get them into it.

So, what we were really doing is facilitating the personnel process in getting somebody in that door, where, without the political push, they may not have been getting into the door. But we were not interfering with the competitive process of filling a particular position.

Mr. HAMILTON. Were you aware of the special referral units at GSA and HUD that have been the subject of publicity lately? Are you familiar with those referral units?

Mr. MALEK. I'm aware of the referral units.

Mr. HAMILTON. Are you aware that the Civil Service Commission, now, has under investigation violation of the civil service laws in reference to those two units?

Mr. MALEK. Yes, I'm aware of that. I've read the newspaper accounts, and I am aware of those.

Mr. HAMILTON. Did you know that the White House personnel office was dealing with those referral units?

Mr. MALEK. That had been my impression, but I did not follow the White House personnel office activities for the last 14 or 15 months or so since I have been with OMB.

Mr. HAMILTON. Well, I think that some of the instances referred to are in 1972, or during the campaign.

Mr. MALEK. I see.

Mr. HAMILTON. Did you know, contemporaneously, that the White House personnel office was dealing with the special referral units in GSA and HUD in making political recommendations?

Mr. MALEK. It depends on what you are talking about. The special referral units that were established after the election in GSA and HUD are something that I did not have any experience in dealing with.

On the other hand, while I was in the White House, we did have an organization in almost every department which handled noncareer personnel appointments. They were established for that purpose. Also, for the purpose of handling the patronage requests that we would forward on to the departments. Almost every department or agency had a unit, varying in size, from 1 person up to 8 or 10 people, who would handle and process these kinds of requests. The referral units that you speak of at GSA and HUD, I believe, were outgrowths of what had existed before.

Mr. HAMILTON. Are you saying that before the campaign, that these referral units were not handling career personnel? Competitive service personnel?

Mr. MALEK. No; I am not saying that. What I am saying is that these referral units existed throughout much of the administration and they had two purposes. One was to do the screening and assist in the recruiting and evaluation and placement of people into noncareer positions. And, second, to take all of the patronage requests that were sent to them directly by the Congress, or through us to them, and funnel them to the appropriate place in the department for consideration. So that if we would forward to them, or if a Congressman would forward to them, a particular recommendation, they would then either evaluate that person for a noncareer position, or if it was determined that there were no noncareer positions and that a career position was desired, and it was important to place the person, they would then circulate that person through the department so that he could be evaluated for various career positions. And, if he qualified, and was competitive, for one of them, brought on board. I think that is a distinction.

Mr. HAMILTON. Was it your understanding that the referral units in the various agencies were to give special consideration to names sent over by the White House that were designated "must"?

Mr. MALEK. Yes. Yes; they were to be given special consideration. Absolutely. But the special consideration was not in competition for a specific job, but to insure that the person was exposed to a range of jobs for which he or she was qualified.

Mr. HAMILTON. All right. Now, this is a little bit redundant, I believe, to some questions Senator Inouye asked, but it is true, is it not, that the information regarding the Responsiveness Program was to be kept secret from the general public?

Mr. MALEK. That was the intent.

Mr. HAMILTON. And it is also true, isn't it, that the plan was that if this material was leaked that certain steps would be taken to disassociate the White House?

Mr. MALEK. Well, the plan really was to disassociate the White House as much as possible from the beginning, so that if it did become public knowledge the White House would not be associated.

Mr. HAMILTON. But if there was a leak, isn't it fair to say that there would be an affirmative disassociation that the White House was involved in this program?

Mr. MALEK. No; I don't think that is fair to say. It would depend—I can't answer that hypothetically. The leak might have involved the White House directly, for example, and if it did not, I do not know what the response would have been. I was not in the communications business there.

Mr. HAMILTON. Let me read from the March 17 memo [exhibit 4], the basic document, at page 6—I am reading under "Possible Drawbacks" and I am reading item 1:

The most significant drawback of the program is, of course, the risk of adverse publicity. Naturally steps would be taken, one: to insure that information about the program itself and the departmental plans would not be leaked; and two: keep the President and the White House disassociated with the program in the event of a leak.

Does this paragraph accurately state your plans in regard to minimizing adverse publicity?

Mr. MALEK. Yes. But to amplify on that—"keep the President and the White House disassociated . . . in the event of a leak"—again, here, we are talking about things to be done beforehand, not disavowals that might take place after the fact. And it goes on to amplify, that written communications would be kept to a minimum, and so forth.

Mr. HAMILTON. Was it part of the program that the White House would supply the departments and the agencies political guidelines as to how their agency action, departmental action, should be tailored? Is that fair?

Mr. MALEK. That is a very broad statement and it is impossible to say whether it was fair unless you define it. Let me put it in my own words. The intent of the program was to furnish the agencies with political guidelines which consisted of informing them of where the close, and therefore, key States would be; what some of the swing constituent groups would be, in total; and within those States; and then to ask them to focus speaking engagements; focus their efforts in terms of publicizing grant releases, and the like, in those particular areas.

Mr. HAMILTON. I was referring in my question—I will be as specific as I can—to page 3 of the March 17 memo, under the heading "Guidelines" where you say—where the author says:

As a first step, the departments should be given clear guidelines covering the political priorities, the types of operating decisions that are to be included in the program, and the procedures for planning and tracking progress.

I take it that is a fair statement of what you intended?

Mr. MALEK. Yes.

Mr. HAMILTON. Now, is it a fact that you and your staff held a number of meetings with Cabinet officials, agency officials, and their chief aides to explain the Responsiveness Program?

Mr. MALEK. Yes. I met with most members of the Cabinet, with heads of a number of other agencies, and in two or three instances, at their request, with members of their staffs afterwards, to discuss with them the campaign—the key States that our polls showed would be swing States, showed them maps outlining these, talking about what some of the key voter groups would be in those States, talking about the need for them to be sensitive to this and to try to do as much speaking as they can on the President's behalf in these areas. And to try to publicize grants in these areas; to look for opportunities to better serve in an intensified way the groups in these areas; to think about issues that were a margin that could present problems or could be of great concern to the various constituent groups we were concerned with; to think in advance as to how these issues ought to be handled in order to be most responsive to these groups; and to provide the most political gain for the President.

Mr. HAMILTON. Were other members of your staff, like Frank Herringer, Stanton Anderson, and Robert Davison also involved in these departmental meetings and agency meetings?

Mr. MALEK. I don't recall whether they came to the meetings with the Cabinet officers, or agency heads. I think they did. They went to some of them, but I am not sure they came to all of them. I do not recall precisely, however.

Mr. Gifford participated with me in some of these, and I believe I had—as I think about it, to the best I can recall—I did have a member

of my staff who was going to kind of deal with that department, come with me where it was possible.

Mr. HAMILTON. You divided your staff up so that certain people would deal with certain departments and agencies?

Mr. MALEK. That is correct, that is correct. They had been divided up. That was not a new thing. They were divided up in that way in dealing with the agencies on personnel matters. And so I believe I did bring them along and then in many instances they would have a follow-up meeting with the person that the head of the agency designated as kind of the contact point for the agency and I believe I provided you earlier with a list of those.

Mr. HAMILTON. Yes, you did. Now, in those meetings, did you use as a visual aid a color-coded map of the United States that indicated where the target areas were and the target groups?

Mr. MALEK. Yes, yes, exactly.

Mr. HAMILTON. And I take it the departments and agencies were asked to gear their programs to impact in those particular areas?

Mr. MALEK. Well, not just their programs, but their publicity, their speaking engagements. And your resources can go only so far. A Department like HEW, I don't know, makes maybe 10,000 grants a year, you can't really take each one of those and make it a major public relations success. So we would want them to focus on these States, and, as grants are coming out, to try to get them announced in such a way that it gets a little publicity and gains political credit.

Mr. HAMILTON. Is it fair to say that the departments and agencies were asked, to the extent possible, to redirect their grants into those areas?

Mr. MALEK. I don't think it would be fair to say they were asked to "redirect" their grants. It would be fair to say that it was suggested that they look to these areas for opportunities for programs or initiatives that would have real political vitality and would serve the people well. And, consequently, win a certain amount of favor for the administration.

Mr. HAMILTON. The March 17 memo that we referred to earlier talks about "redirecting" and "rechanneling" grants. I believe, on page 4, the first two paragraphs, talk about rechanneling and redirecting.

Mr. MALEK. Now, which date is this memo?

Mr. HAMILTON. March 17—I'm sorry, that is the wrong page. Page 2. Excuse me.

Mr. MALEK. And where are you reading?

Mr. HAMILTON. The second paragraph talks about the Commerce Department grants which could be redirected in some manner. And then the last sentence in the second paragraph says "Even if only 5 percent of this amount can be rechanneled to impact more directly on target groups and geographic areas, it would be a substantial increase over current efforts."

Were departments and agencies asked to redirect or rechannel grants to impact on target groups and areas?

Mr. MALEK. I cannot recall ever asking departments or agencies to redirect or rechannel. I do recall outlining where the key States were and asking that emphasis be given to these areas, but I do not recall having asked anyone to redirect or rechannel. I cannot say for sure that I did not. But I cannot recall having done that.

Mr. HAMILTON. Do you know if any of your staff members made those types of requests?

Mr. MALEK. No, I do not know whether they did, or at least I cannot recall ever having—now, we are talking on a broad basis, as broad guidance to the agencies; and I cannot recall that being a general policy that we were pushing.

Mr. HAMILTON. Were the departments and agencies asked to sensitize their appointees, especially those in the regions, to the political priorities of the election so that they could take actions that would have an impact on the election?

Mr. MALEK. Yes.

Mr. HAMILTON. After the departments and agencies were briefed, did you brief Mr. Mitchell on the Responsiveness Program?

Mr. MALEK. I think that I did.

Mr. HAMILTON. I believe that I have already shown you this memorandum. Senator, we have a lot of memorandums; this is the one I am talking about right here.

Mr. FREEDMAN. It is exhibit 7.

Mr. HAMILTON. It is tab 5 in the book you have. And there is a briefing paper attached to this memorandum. Does this briefing paper accurately reflect the briefing that the Attorney General was given?

Mr. MALEK. Well, I haven't had a chance to look at it. May I just glance through it?

Mr. HAMILTON. Yes, you may glance through it quickly. It's just five pages, double spaced.

Mr. MALEK. This probably clearly represents the events I discussed with Mitchell.

Mr. HAMILTON. OK. Did you and your staff also meet with a number of State chairmen for the Committee To Re-Elect and explain to them the Responsiveness Program? To refresh your recollection on this, let me give you a memorandum, dated June 14, 1972, that is to you from Stan Anderson and Rob Davison. Have you got another copy of this, Gordon?

[The document referred to was marked Malek exhibit No. 13.¹]

Mr. MALEK. I will give it back to you.

Mr. HAMILTON. All right. This indicates that there would be a briefing of State chairmen. You notice that—I believe you have a handwritten note at the top.

Mr. MALEK. Yes, I believe we did talk to the State chairmen about the desirability of generating ideas or thinking about this in a field. As is indicated here, we didn't really get too much, we hadn't been getting much response. We only had one request—this was June 14—we only had one request to date from the State chairmen. It wasn't something that they were really set up to do too effectively. Most of the requests that we processed came from the Members of the Congress.

Mr. HAMILTON. OK. Did you and your staff in May of 1972, meet with the directors of the various constituent groups and voter blocs and explain to them the Responsiveness Program?

Mr. MALEK. Yes, I believe we did explain it at that time.

Mr. HAMILTON. I have a memorandum here from you to Mr. Halde-man, which talks about the results of a Camp David meeting.

¹ See p. 8366.

[The document referred to was marked Malek exhibit No. 14¹]
Mr. MALEK. Yes.

Mr. HAMILTON. I take it that this memorandum accurately reflects what happened at Camp David, and also reflects the attendees at the meeting.

Mr. MALEK. Yes, I believe it does.

Mr. HAMILTON. Now, attached to this memorandum—I don't believe it is attached to the one you have; we put it with a different tab—is a briefing paper that apparently was used for briefing the directors of the voter bloc groups. Does this briefing paper accurately reflect the briefing that was given to voter bloc groups?

[The document referred to was marked Malek exhibit No. 15.²]

Mr. MALEK. I don't recall exactly how we presented this, so I don't know if this accurately reflects it or not.

Mr. HAMILTON. Are you familiar with this particular document?

Mr. MALEK. Well, I must be, because I see what looks like my writing on page 5 of it.

Mr. HAMILTON. On page 4, it states: "Each of you should be alert to opportunities to utilize the resources of the incumbency to improve our position with your constituent group."

Mr. MALEK. Yes.

Mr. HAMILTON. I take it that the voter bloc directors were informed that they should be alert to use the incumbency?

Mr. MALEK. Yes. And examples, I think, that follow that—awarding of grants, announcing a new project; need for a speaker from the Department and so forth—we wanted to think about those kinds of things, where they could use a speaker on a certain issue, or where announcing a new project in a major way would be helpful or a grant that was in process could be particularly beneficial. We did encourage them to make these kinds of things known so that they could be considered with all of the other factors in arranging schedules and the like. And in actual practice, it really didn't come up with a whole lot of ideas, but I suppose there were some that were generated.

Mr. FREEDMAN. Mr. Malek, were there staff people from the White House attending the meeting who also had responsibility in the constituent groups?

Mr. MALEK. Yes, there were.

Mr. HAMILTON. Were the voter bloc people asked to submit names from their constituent groups that perhaps could be placed in the administration?

Mr. MALEK. I don't know if we asked them, how we made the request, but I would guess that we suggested one of the things that could be done was to appoint people to positions or advisory commissions, and ask them to develop suggestions for us.

Mr. HAMILTON. On page 3—actually, it is the third from the last page, under the heading "Personnel"—

Mr. MALEK. Yes.

Mr. HAMILTON. [continuing]. There is a line that goes, "I would suggest you give this possibility some thought and try to come up with a list of 10 or so persons from your group that you would like to see placed."

¹ See p. 8367.

² See p. 8370.

Mr. MALEK. I dont' know if those were the words in which it was conveyed, but essentially we did ask that they, as I said before, develop some ideas of people who could be placed.

Mr. HAMILTON. OK.

Mr. FREEDMAN. To refresh your recollection, I think that you stated before that possibly Mr. Anderson and Mr. Herringer gave that briefing. Is that your understanding?

Mr. MALEK. Well, I don't know when I said that, because I really don't recall who gave this particular briefing.

Mr. HAMILTON. Actually, Mr. Malek, on page 2 of exhibit 14 from you to Mr. Haldeman, dated June 5, 1972, it says:

Stan Anderson and Frank Herringer of my staff presented the various programs we have initiated to make the bureaucracy more responsive and to take advantage of the incumbency to the maximum degree possible.

Mr. MALEK. Yes.

Mr. HAMILTON. I'd like to turn, Mr. Malek, to some of the results of the specific activities which came under the Responsiveness Program. And I would like to refer you to a June 7, 1972, memorandum from you to Mr. Haldeman. Senator, in your book this is item 9. And this is entitled, on the inner page, "Responsiveness Program Progress Report—Confidential, Eyes Only." Now, who prepared this report?

[The document referred to was marked Malek exhibit No. 16.*]

Mr. MALEK. It was prepared by my staff. I guess Mr. Anderson and Mr. Davison probably prepared it.

Mr. HAMILTON. This report has two parts; the Responsiveness Program report, and then attached to it there is another document entitled "Responsiveness Program, Week Ending June 2, 1972," which is a listing of, I believe, 12 specific "results," if I can use that word, of the Responsiveness Program, through June 2. I would like to ask you about a few of these.

Senator Talmadge, I don't plan to get into all of these specifics, but of course if you want to ask about some of the ones that I don't get into, please feel free to do so. The first one I would like to ask about is in the second part of this report, the listing of the results. It is DOL-6. And this part of the report was prepared by whom, do you believe? Is this Mr. Davison's work?

Mr. MALEK. Well, I can't tell you for sure. I am just telling you the best I can recall. I believe it was, I believe it was Mr. Davison; perhaps Davison and Anderson together. But I think it was probably more Davison.

Mr. HAMILTON. Let me read to you from this backup listing of 12 results, and then read to you from the body of the report. DOL-6 says:

Migrant Program, Texas. Requested 5/24/72. Senator Tower's office requested that a \$2.2 million migrant worker program grant be given to the pro-Administration Lower Rio Grande Valley Development Council, as opposed to the consortium of OEO/CAP agencies. DOL has already announced that the OEO groups have the best proposal. If the Development Council were to receive the grant, there would be a significant plus for the Administration, as OEO's negative voice would be silenced, and the Council's positive feelings toward the Administration could be stressed. DOL has told Tower that the grant will be awarded to Tower's choice. Tower will confirm his decision this week.

* See p. 8380.

In the body of the memorandum itself there is a capsulized version of this that reads:

The Department of Labor was asked to award a \$2.2 million migrant labor program contract in Texas to a pro-Administration group. Labor has already publicly committed itself to a consortium of anti-Administration OEO/CAP agencies. Labor has reversed its stand.

I am reading from page 3 of the basic memorandum. Do these statements, in this memorandum, accurately reflect what happened, to your best knowledge?

Mr. MALEK. Well, I recall this incident only quite vaguely and I really don't know whether that is an accurate reflection. I will tell you what I do recall. I do recall that Senator Tower's office had objected to this particular grant, and I vaguely recall someone in my office, or it could have been Mr. Gifford, I don't really know who made the request, that the Department of Labor reconsider this in light of the new information that Senator Tower had brought to bear. And that is about all I really do recall. I recall that rather vaguely, because I did not get into these particular incidents. They were really—my staff really served as a funnel from the Committee To Re-Elect to either Gifford or the agencies. And since we were just a funnel and weren't making judgments, I did not get into specific instances. But this is one that I do have a vague recollection of.

Now, it is my understanding, however, that eventually this OEO group got the grant. So I am not sure if this is accurate. I really do not know whether Tower's group did get the grant. This is something that could be checked easily enough, but I really don't know.

I will tell you who might be able to give you more information on this, and that is this fellow—I think his name is Adams, from the St. Louis Post-Dispatch, who someone from the committee initially leaked these documents to, because he has researched it rather thoroughly, and he has written a number of followup stories on it and he probably would have the most insight into this particular one.

Mr. HAMILTON. For your information, I believe the fact of the matter is that eventually the OEO group did get the award, but that the award was made after the election; is that correct, Gordon?

Mr. FREEDMAN. Yes.

Mr. MALEK. That is what I had read in the newspapers.

Mr. HAMILTON. But is it fair to say from the statement here, that an attempt was made by members of your staff to award the grant to the proadministration group because of the impact that it would have on the election?

Mr. MALEK. No, I don't think that would be fair to say at all. I think it would be fair to say that Senator Tower's concern about the program, the information he wanted to bring to bear on it, was relayed to the Department of Labor. I can't even tell you if it was relayed from my staff, because all we were doing, really, here, was reporting on something that had come to our attention, and that the Department of Labor, upon learning of the Senator's interest, apparently did pause to reevaluate.

Mr. HAMILTON. I do not want to quibble with you, but the report that was written by Mr. Davison—if he did indeed write this—says:

If the Development Council were to receive the grant, that would be a significant plus for the Administration, as OEO's negative voice would be silenced and the Council's positive feelings toward the Administration could be stressed.

Mr. MALEK. Well, I am sure there is some validity to that, but my point is, I do not recall that my staff had anything to do with this particular one. They may have; it could have come directly from Senator Tower's office to the Department of Labor, and we might have been informed about it. It could have gone through any one of a number of channels. All we are doing here really is reporting something that had taken place and its impact.

And, as to what reasons it was delayed, you would have to ask somebody in the Department of Labor who made or participated in this grant decision. It could have been delayed because of the fact that the Senator brought some new information to light that truly did change the substantive nature of the competing grants, or it could have been out of political consideration. I do not know.

Mr. HAMILTON. Well, the Responsiveness Program—

Mr. MALEK. We did not participate in making grants. I did not, and members of my staff did not. We were a funnel for requests and for information.

Mr. HAMILTON. The question is, is it fair to say that a contact was made with the Department of Labor with the purpose of having Labor take an action that would be beneficial to the President in his reelection campaign? Whether or not the contact produced the results, was the contact made with that idea, with that purpose in mind?

Mr. MALEK. Well, Mr. Hamilton, I really and truly do not know how this contact was made. You know, you have talked to members of my staff and you have probably asked them the same thing; but I haven't asked them about these, and it is conceivable that a member of my staff did pass this on. But it is also conceivable that it went directly from the Senator's office to the Department. I really do not know.

Mr. HAMILTON. One of the purposes of the Responsiveness Program, I believe, as these documents show, was to have the departments take steps that would benefit the President's reelection.

Mr. MALEK. If, in fact, the request was made through my staff, their purpose in relaying it was to express the Senator's concern and pass on this information. And also they felt that the reconsideration by the Department of Labor would also have a benefit for the President's reelection.

Mr. FREEDMAN. I might interject here that these two programs were evaluated by the Department of Labor, and the OEO/CAP agencies received an 87-percent rating, and the other group, the Development Council, received a 68-percent rating.

Mr. MALEK. By the same token, though, we do not know what evidence or information Senator Tower brought to bear on the situation. He may have some information that was not available to the bureaucrats who evaluated this, and this is the case in many requests that we get from the Congress. I just don't know. But I am saying it could have been that.

Mr. HAMILTON. Let me read you another one, Mr. Malek, if I might. This is in the backup memorandum to the progress report, and it is on the fifth page of exhibit 16:

HUD-1: William Meehan, Philadelphia, Pennsylvania, requested 3/29/72. William Meehan, Republican ward leader in Philadelphia has requested that his Democratic counterpart, Michael Stack, be prohibited from receiving the sub-

stantial compensation he earns as a fee attorney for Fannie May. The impact of such action would not be of great benefit to the reelection. It is not possible for us to significantly change Mr. Stack's earnings, as he is a close friend of Congressman Barrett, a member of the key HUD committee that appropriates funds for Fannie Mae.

Were you asked by Mr. Flemming to see if Mr. Stack's Fannie May earnings could be reduced? Do you remember that?

Mr. MALEK. No, I don't remember how this came to us, but I do have a recollection that—of this request being made. I do not recall how it came to us, but obviously we concluded that it was not appropriate and did not pursue it.

Mr. HAMILTON. Let me refresh your recollection. I have a March 29, 1972, memorandum to you from Mr. Harry S. Flemming.

[The document referred to was marked Malek exhibit No. 16-A.*]

It reads like this:

Our Pennsylvania Committee for the Reelection of the President has brought to our attention that Michael Stack, a Democrat ward leader, last year earned \$58,000 in mortgage foreclosures—

Mr. MALEK. That is disgraceful.

Mr. HAMILTON [continues reading]:

From Fannie May. Mr. Stack happens to be the ward leader in the same ward as William Austin Meehan, who is Republican leader in Philadelphia. Meehan cannot understand why the type of work that Stack is doing has to be given to a Democrat ward leader who is working against our interests. Perhaps a qualified Republican could be found who could handle Fannie May business in that particular area. Any help your office can give rectifying this situation would be helpful.

Mr. MALEK. Well, obviously the request did come from Mr. Flemming to me, and as stated here, I guess it was hard to understand why Mr. Stack earned so much from this. But when we looked into it, we did not feel it was appropriate to take action.

Mr. HAMILTON. I take it a member of your staff did look into it to see whether Mr. Stack's compensation could be cut down; is that correct?

Mr. MALEK. I don't know whether he looked into it with that purpose. I assume when this came in that I routed this to my man who covered HUD, and that he would have either made a call to HUD and told them about this and asked them what their opinion was, or just sent the memo over saying, "What do you suggest?" or something on that order. We would not just jump at this suggestion from somebody from the Committee To Re-Elect the President. Rather, we would refer it to the department for evaluation. And I assume they came back and told us that you really shouldn't do this; that he has been doing this for some time and in addition to that he is a close friend of a guy who gives us all of our money, Congressman Barrett. And consequently it did not seem appropriate to take any action.

Mr. HAMILTON. Do you remember who made the contact with HUD?

Mr. MALEK. No. I am sure we could determine that just by looking down the list, which I don't have available now, of who was covering HUD at that time.

Mr. HAMILTON. Do you think it was Robert Davison?

* See p. 8387.

Mr. MALEK. Most likely it was Davison.

Mr. HAMILTON. OK. Now, I would like to read you two other excerpts from this progress report and the backup document to it. First from the backup document, I am reading from page 1 of that document.

DOL-1: Local 454 Dock and Wharf Builders, Philadelphia, Pa., requested May 10, 1972. Herman Bloom, Spector's Assistant at the Pa. CRP requested that the subpoenaed records of Local 454 be returned. The business agent of the union is a Republican supporter and could be very helpful to the Administration in impacting the blue collar vote in a key county. The books were returned on May 23, 1972, and the union given a clean bill of health.

And reading from the summary of this, page 2 of the progress report:

The Department of Labor ruled that Local 454, the Dock and Wharf Builders Union of Philadelphia, whose steward is an active backer of this Administration, was not responsible for the illegal actions of its president. This action was requested by the Pennsylvania Committee for the Re-election of the President. And they report that this action had a very strong impact on the local ethnic union members.

Now, do these two paragraphs accurately reflect what happened?

Mr. MALEK. Well, I have a very vague recollection of this particular one. I do have some recollection of the request being made.

Mr. HAMILTON. Do you remember whom it came from?

Mr. MALEK. No.

Mr. HAMILTON. Well, not to interrupt you, but I have another document—

Mr. MALEK. Wouldn't it save time if you would just show me this to start with, because I really can't recall who would bring something like that to my attention.

Mr. HAMILTON. This document—Senator, you do not have a copy of this, it is dated May 1, 1972. It is to Mr. Malek from Al Kaupinen—and that's K-a-u-p-i-n-e-n; subject: Labor problem in Pennsylvania.

[The document referred to was marked Malek exhibit No. 17.*]

Mr. HAMILTON. It is short; I will read the whole text.

Mr. Herman Bloom, Arlen Specter's assistant with the Committee for the Re-Election of the President in Pennsylvania has had some problems with the Department of Labor. Can somebody in your office call Herman Bloom to assist him with this problem?

Do you know who called Mr. Bloom?

Mr. MALEK. No, I don't; but I believe Mr. Davison was our liaison with the Department of Labor, so he conceivably could have done it or he could have passed it on to the Department to do it. I do not know who—the only thing that I recall from this was that a request was made, and I believe, as best I can recall, was that when this was checked into, this action had already been taken. In other words, that the records had already been returned in the normal course of business. I do not think there was any affirmative action that needed to be taken. That is my recollection of it, although you could probably get a more precise answer on exactly what happened if you talked to the people at Labor.

Mr. HAMILTON. Is it fair to say that the call was made to Labor with intent to see if some affirmative action to benefit the union could be taken?

* See p. 8388.

Mr. MALEK. Well, I do not know, because I do not know whether this memo could have just been passed on to Labor and asked them to look into the problem; or it could have been that Davison called Bloom to find out what the problem was, and he then relayed it to the Department to determine whether there was any action that could be taken. Any one of those scenarios could have happened. I do not know which one.

To amplify that, if the call was made from a member of my staff to the Department of Labor after talking to Mr. Bloom, I assume that he would have given them Bloom's side of the story and asked them what, in their opinion, the situation was, and what could or should be done. But I do not believe the members of my staff were acting as advocates, because they were not in a position to know the trade-offs involved. They were really in the business of serving as conduits so that the people in the departments, who had the kind of substantive knowledge to make the trade-offs, could make these kinds of judgments.

Mr. HAMILTON. I take it, since this was done under the auspices of the Responsiveness Program, the purpose of the phone call would have been to have Labor take an action that would have benefited the President's reelection campaign?

Mr. MALEK. The intent of—the way I see it, and I can't put intent in somebody else's mind, but the intent that I would have intended it to have been, would be that they would be calling to say, "Look, there is a political problem that erupted from an activity in your Department and we would sure appreciate your taking a look at it, and see what appropriately can and should be done about it." But they are not calling to say, "You have got to do this," or anything like that.

Mr. HAMILTON. Do you think it is proper to bring political circumstances or considerations into a regulatory proceeding before the Labor Department?

Mr. MALEK. Well, I think the way our Government works, that political considerations, political information, any kind of information that can help in making a valid decision should be put before the decisionmaker.

Mr. HAMILTON. Even in a regulatory—

Mr. MALEK. Was this a regulatory?

Mr. HAMILTON. I believe it is. I believe it is a proceeding under the Landrum-Griffin Act, because the Labor Department has a regulatory function, just like the—

Mr. MALEK. I don't really know enough about the case. If you know that it is a regulatory function—I really don't know. I see nothing wrong with passing on the information that has come into the Department. Now, they are in a position to determine whether or not that information is appropriate. Whoever passed on the information is not in a position, he does not know much, if it is the Landrum-Griffin Act he probably doesn't even know what it is. And he is simply passing on information as a conduit. The people in the Department have to make that judgment.

Mr. HAMILTON. You do not think it is improper if the person passing on the information is attempting to change the outcome of a regulatory decision?

Mr. MALEK. The person passing on the information is not attempting to change the outcome of a regulatory decision. He is serving as a conduit to get this information to someone who could more adequately weigh the pluses and minuses of any kind of action.

Mr. HAMILTON. Well, the person passing it on, if it is a member of your staff acting under the auspices of the Responsiveness Program, was trying to take action that would benefit the President's reelection in this particular instance.

Mr. MALEK. Only if he is substantively responsible. He is passing it on and saying, "This is something that has come to our attention. We would like you to look at it." He is not making any judgment as to whether it ought to be done or what the trade-offs are. That is the job of the people in the Department who have that responsibility and are trained for it.

Mr. HAMILTON. Let me read you another specific from this progress report, Mr. Malek. First, reading from the backup document, and then reading from the text of the report, and I am reading from the last page of the backup document, from an item entitled "EEOC-1, EEOC suit of the University of Texas":

Senator Tower was informed by vice chairman Holcomb that Ed Pena, director of compliance, had recommended to Bill Brown that EEOC sue the University of Texas. Brown appeared to agree. If such suit took place, the result would be a serious negative impact in a key State. Brown denies that the suit is under consideration. This should be followed carefully.

And then turning to the text of this memorandum, at page 3, the following paragraph appears:

We garnered from reliable sources in the Equal Employment Opportunity Commission that the Commission was preparing to sue the University of Texas for discrimination in the hiring of faculty. This could be disastrous in Texas. When queried, Bill Brown, chairman of EEOC, agreed not to pursue it. I will continue to follow this situation closely.

Do these two paragraphs accurately reflect what happened in regard to this EEOC proceeding?

Mr. MALEK. Well here again, I have a rather vague recollection of it, and apparently this so-called reliable source was not too reliable, because as I recall it, when contact was made, just to find out whether or not this was happening, he informed whoever it was that called him that the suit was not under consideration. So apparently the information that Senator Tower had received here was incorrect, and I believe from what I have read in a newspaper story after these leaked documents came out and several people followed up on them. I believe that Brown stated the same thing, that this was never something that was being considered.

Mr. HAMILTON. Did you continue to follow this situation closely?

Mr. MALEK. No, I didn't.

Mr. HAMILTON. Is it fair to say that the contact to Mr. Brown, whatever the result of the contact, was made with the intent of trying to reach a result in this matter that would be favorable to the administration in the reelection campaign?

Mr. MALEK. I do not think it is realistic to try to place intent here. I think it could have been simply a request for information. There was a rumor that was brought to some—this rumor was brought to someone's attention by Senator Tower. Chairman Brown was called to

determine whether the rumor had validity, and he said it did not. Now, you are getting awfully hypothetical if you come back and say, well, what if he had said it was under consideration, then what? And only then, I think, can you get down to intent, and I do not know then what.

Mr. HAMILTON. Well, the call was made, I take it, by somebody on your staff. And the question was whether you know that the contact was made with the intent of affecting the proceeding in a manner that would benefit the President's reelection campaign?

Mr. MALEK. Well, as I recall, this was one that, I believe, was made by a member of my staff. But the call was for information purposes, and Brown said that the suit was not under consideration. So there was really nothing here to pursue or consider any further.

Mr. HAMILTON. What did you base the statement on page 3 of the memorandum, the statement that reads: "When queried, Bill Brown, Chairman of EEOC, agreed not to pursue it."?

Mr. MALEK. I think that is the author of this paper using a little bit of liberty in his choice of words. I believe the backup material more accurately defines this situation as it occurred.

Mr. SCHULTZ. Jim, may I ask something at this point?

Mr. HAMILTON. Sure, please do.

Mr. SCHULTZ. Does this memorandum contain a little puffing? In other words, is there some effort by the writers of this to justify a Responsiveness Program?

Mr. MALEK. Yes; there is a definite effort here by the people who put this together to demonstrate a certain amount of action and organization, perhaps beyond that which, in fact, existed.

Mr. SCHULTZ. Is it not your recollection that there was an action and a response with regard to each and every one of these items listed?

Mr. MALEK. No; I do not recall that there was an action and a response in each one of these. I think in some cases we were simply reporting on something that took place that came to our attention.

Mr. SCHULTZ. And if it was favorable and could be incorporated in this Responsiveness Program—that is where I get to the puffing. I have the feeling that they are going a little bit further than the facts involved, and it fits in, and you can help justify a program, so you say this is what we did. And it may not have been done at all.

Mr. MALEK. There is a little bit, I believe, of puffing in it.

Mr. HERSHMAN. So in other words, your staff members compiled this information, including possible exaggerations, sent it to you, and you sent it on to Mr. Haldeman, is that correct?

Mr. MALEK. In some instances the staff member might have been a conduit for the information, and in some cases it might have been simply something he had been made aware of that came to his attention. I cannot tell you which were which precisely, but in essence this was an activity that had just gotten underway, and the progress report itself is aimed at describing the activity and offering some specific examples. And I think some of the specific examples probably would have taken place with or without any involvement by any members of my staff.

Mr. FREEDMAN. Mr. Malek, what participation did you have in preparing this document?

Mr. MALEK. I read it. Probably—I don't recall exactly, but my normal practice would be to review what my staff had written, and if I did not like the way it was organized or written, to suggest how it could be written better before forwarding. I don't know whether I did or not, but I read it and I put a cover memo on it, and sent it to Haldeman.

Mr. HERSHMAN. Would you consider—

Mr. MALEK. Let me say this. This was not an activity that I chose to invest very much time in. I would guess that this whole responsiveness effort, when you take aside the time that I spent in mulling around to meet with agency heads, aside from that, I don't think I spent more than 1 percent of my time on this.

Mr. HAMILTON. But Mr. Malek, you did consider this operation important, didn't you?

Mr. MALEK. Pardon?

Mr. HAMILTON. You did consider this operation important, didn't you, the Responsiveness Program?

Mr. MALEK. I thought it was of marginal value.

Mr. HAMILTON. If you will bear with me just a second, until I can put my finger on what I'm looking for—

Mr. MALEK. You are going to look for an earlier memo in which I say it's important to do, and then you're going to compare it with why it is marginal. Well, after experiencing a couple of months in it and seeing the very infrequent and insubstantial requests that came about, it really made me question whether this particular part of the responsiveness effort was really of that much value.

I did feel that the more important, the more consequential parts of the Responsiveness Program were getting our speakers out to the key areas and announcing grants in a way that would reflect favorably on the Republican candidates and on the President, and on posturing the President, or recommending posturing to the President on issues that would generate public support. These things I did feel were very, very important. But this particular aspect of serving as a funnel of information, I thought, was a very minor and not a very contributive part of it all.

Mr. HERSHMAN. Was it abandoned?

Mr. MALEK. Yes; I believe it was abandoned.

Mr. HAMILTON. Mr. Malek, in this document [exhibit 3] I showed you earlier with Mr. Haldeman's handwriting on it that was not dated, entitled "Organizing For and Implementing New Responsibilities," you do say on page 1, under the heading "Department Responsiveness: This is potentially one of the most productive activities we will undertake."

Mr. MALEK. That was written about 6 months before, wasn't it?

Mr. HAMILTON. Yes. And then, just to give you another example, in the briefing of John Mitchell that we referred to, which is dated April 28, 1972 [exhibit 7], and is behind the memorandum of the same date from Mr. Herringer to you, it says: "Potentially one of our most significant advantages over the opposition is the incumbency if it is used properly."

Mr. MALEK. But the use of the incumbency refers to this whole bailiwick of getting speakers out and posturing yourself properly on issues and announcing grants in the right way, and those kinds of

public-relations-oriented events and issue-oriented kinds of things, I think, are very important. But that the minor benefits to be gained from a few patronage placements and a few things such as this, I did not think were of major value at this particular time. And in fact, when I went to the Committee To Re-Elect on a full-time basis July 1, I ceased being involved in this. I did not think it was important enough to take up any of my time.

Mr. HAMILTON. Well, is it at least fair to say that when this program started off that you considered the Responsiveness Program a significant part of the campaign? Is that fair to say?

Mr. MALEK. Significant as compared to what? I consider it of some significance, but again, the Responsiveness Program, let us remember, has four parts, and the three that I think as most important were the arranging of speakers, to go out to speak on issues to the right groups, persuasive articulate speakers from the administration and from the Senate. We had spokesmen from the Senate, Governors who would go out looking for those grants that were going to be announced in key areas and trying to gain publicity announced in a way that would gain favorable publicity. And these, to me, were the more important things.

Mr. SCHULTZ. I believe in each of those memos it says "potentially important." Did there come a time when you found out there really was no potential there?

Mr. MALEK. Well, it is kind of a gradual thing, as we went along here and realized how limited and inconsequential most of the requests were, and then as you further realize and you funnel these things to the departments, how complex the decisions are that are in all of the considerations that go into making a grant, it is just very difficult for the political considerations to be given that much weight. And when weighed in with all the other factors, it just was not something that was that effective.

Mr. HAMILTON. Before we leave the EEOC matter, I would like to state for the record, that we have been supplied with an affidavit by William Brown, who was the chairman of the EEOC, in which he denies that he was subjected to improper pressure from the White House or that he succumbed to improper pressure. And this affidavit will be included in the record. I think, though, it is only fair that I make reference to it now in questioning Mr. Malek.

[The affidavit referred to was marked Malek exhibit No. 18.¹]

Mr. HAMILTON. Getting back to the progress report, was it submitted to Mr. Haldeman?

Mr. MALEK. Yes.

Mr. HAMILTON. Now, did Mr. Haldeman ever express to you any disapproval of the activities that you were reporting on?

Mr. MALEK. I do not recall his doing so.

Mr. HAMILTON. Did he ever comment to you that the President was informed of what the progress report contained?

Mr. MALEK. I do not believe that he did.

Mr. HAMILTON. Did you ever discuss the legality of any of the matters in the report with Mr. Haldeman?

Mr. MALEK. I do not believe so.

¹ See p. 8389.

Mr. HAMILTON. Who was John Clarke?

Mr. MALEK. John Clarke worked for me as a recruiter of executive manpower, formerly associated with a very distinguished Member of the U.S. Senate. He was an executive recruiter and concentrated on recruiting people at the Presidential appointee level. I believe about the time that I was going over to the committee full time—I do not remember exactly when he made the switch. I think it was after I came to the committee—he moved to kind of a dual role. In addition to recruiting he was handling relationships with a group of departments and agencies, and I believe this was caused by the fact that I brought Mr. Anderson with me when I went to the campaign.

Mr. HAMILTON. But did he work on the responsiveness aspects after you left?

Mr. MALEK. That was my understanding, that he kind of had the liaison with a certain group of departments. And I think Mr. Kingsley kind of carried it on for a short period of time after that.

Mr. HAMILTON. Now, we have received an affidavit from Mr. Clarke dated November 21, 1973, and I would like to read a part of this into the record: "The Responsiveness Program generated activity with architectural engineering contract awards by GSA."

[The affidavit referred to was marked Malek exhibit No. 19.¹]

Mr. HAMILTON. By the way, I am reading from page 2 of this:

When contract awards were to be made, which are nonbid awards, the architectural engineering contract award board would select three to five firms who would technically qualify to fulfill the contract, and these firms were recommended to GSA. I would then be contacted by Larry Roush of the GSA, and Roush would give me the names of the firms who were being considered for an award. I would call Lee Nunn at the finance committee to Re-Elect the President—FCRP—and ask Nunn if the committee had any preference as to which of the firms should receive the award. It is my understanding that Nunn would then check with various sources on the Hill, as well as other political sources who might be affected by the contracts to be awarded, and ascertain whether or not there was any preference as to the award. In a day or two, Nunn would call me and state that there was no preference if there was none, or indicate which firm was preferred if they had a preference. I would relay the message to Roush at GSA. In relaying the message to Roush, at no time did I indicate anything other than a preference. This is the extent of my knowledge as to what action was taken on the preferences, and there was no structured follow-up to see whether or not the contract was actually awarded to any particular firm.

The affidavit goes on, but I think that is the essence of it. Now, we have also received an affidavit from Larry F. Roush, the GSA official who is referred to in the Clarke affidavit. This affidavit from Mr. Roush is dated November 25, 1973, and I won't read the whole thing. It is short, but I will not read the whole thing. But there is the statement in here that Mr. Clarke's recommendations were accorded considerable weight.

[The affidavit referred to was marked Malek exhibit No. 20.²]

Mr. HAMILTON. Now, my question to you: Were you in any way involved in the contacts with the GSA described in Mr. Clarke's affidavit?

Mr. MALEK. No. I was not aware of these contacts.

Mr. HAMILTON. That was my next question, whether you had any contemporaneous knowledge in the summer or fall of 1972?

¹ See p. 8393.

² See p. 8397.

Mr. MALEK. Let me qualify that by saying, I do not recall being aware of these contacts.

Mr. HAMILTON. But in the summer and fall of 1972, did you know that GSA architectural engineering contracts awards were being run through CRP?

Mr. MALEK. Well, they weren't really. It was the finance committee. Nunn was with the finance committee.

Mr. HAMILTON. I'm sorry, the finance committee.

Mr. MALEK. But you know, everything—I would like to say categorically no, because that is the way I feel. But everything is so long ago that it is a little bit fuzzy. So I will say, to the best of my recollection, I had absolutely no knowledge of that, and I believe that this took place after I left the White House, because I do not think Clarke was in a position, or in that kind of a position until afterward.

Mr. HAMILTON. Let us go off the record.

[Discussion off the record.]

Mr. HAMILTON. Do you know a Mr. Richard A. Goldstein who was a Special Assistant to the former Under Secretary of the Department of Housing and Urban Development, Mr. Richard Van Dusen?

Mr. MALEK. Well, I cannot place him. But it is conceivable that I have met him or I knew him.

Mr. HAMILTON. He was Special Assistant from October of 1970 through March 1973.

Mr. MALEK. It is probable, if he occupied that position for that period of time, that I have met him. But I do not recall him.

Mr. HAMILTON. Goldstein has submitted an affidavit to us that is dated November 23, 1973, and I would like to read you a portion of this affidavit, and ask you similar questions as I have just asked you about the Clarke affidavit.

[The affidavit referred to was marked Malek exhibit No. 21.¹]

Mr. HAMILTON [reading:]

Some time in the summer of 1972, after Mr. Malek had left the White House staff to join the Committee to Re-Elect the President, I received a telephone call from Mr. Davison, in the course of which he asked that the Department set aside approximately \$2-3 million that could be used in the State of California as a part of the Responsiveness Program. Under Mr. Davison's proposal, an individual whom the White House would designate, but who would not be an employee of the Department of Housing and Urban Development, with an appropriate delegation of authority from the Secretary, would make the decision as to how those monies were to be committed, i.e., which cities and towns in California would receive those funds. I told Mr. Davison that in my judgment such a program did not make sense; that it sounded illegal and certainly improper, and that I felt confident that HUD would not participate in such a program. I further told Mr. Davison that if he wanted a decision from a higher authority I would take the matter up with Under Secretary Van Dusen. Mr. Davison suggested that I do that. At the conclusion of my conversation with Mr. Davison I spoke with Under Secretary Van Dusen about the matter. He agreed, and told me that HUD would in no way participate in such a program.

Now, was Mr. Davison acting under your instructions?

Mr. MALEK. Absolutely not. I certainly do not think he was. As I pointed out, this took place after I left the White House, and I do not believe I would have ever given him any instructions like that, or that I did. It sounds nonsensical to me. He can't do that kind of thing.

¹ See p. 8399.

Mr. HAMILTON. Did you have any contemporaneous knowledge that Mr. Davison had made this request?

Mr. MALEK. I had heard something about some scheme that someone had dreamed up, and it sounded preposterous. And I do not know if this is the particular one or not, but it sounds like it might be.

Mr. HAMILTON. Did you ever have any conversation with Mr. Davison about this?

Mr. MALEK. I do not recall having any.

Mr. HAMILTON. Do you recall reprimanding him in any way for his suggestions?

Mr. MALEK. No, I do not recall reprimanding him.

Mr. HAMILTON. Who is William Marumoto?

Mr. MALEK. William Marumoto is a man who worked as a recruiter for me at the White House, recruiting people for Presidential appointee positions. He also specialized with part of his time on recruiting members of minority groups for high-level positions. He has now left the White House and is in private industry.

Mr. HAMILTON. And who is Mr. Alex Armendariz?

Mr. MALEK. Alex Armendariz was the director of our effort to present the President's record to the Spanish-speaking voter at the Committee To Re-Elect the President.

Mr. HAMILTON. Were Mr. Marumoto and Mr. Armendariz acting in connection with the responsiveness program in a fashion to use the incumbency to benefit the President's reelection?

Mr. MALEK. Well, you are asking me an interpretive question there. I have read Mr. Marumoto's testimony before your committee, and apparently they were.

Mr. HAMILTON. Did you have contemporaneous knowledge of this conduct?

Mr. MALEK. I do not believe I knew they were participating in the review of minority business enterprise grants. I did know that they were trying to encourage minority group members, particularly those in the Spanish-speaking sector who had not had the benefit of participating in this program, to come up with viable and acceptable applications. I did know this encouragement had been going on, but I did not know that—I do not recall that I knew anything beyond that.

Mr. HAMILTON. Let me show you a document that is entitled "Capitalizing on the Incumbency," and it refers to activities in the Spanish-speaking area.¹

Gordon, do you have a copy?

Mr. FREEDMAN. I do not find one in this package.

Mr. HAMILTON. It is attached actually to a memorandum of August 3, 1972,² to you from Alex Armendariz. At least, it is attached in our files. And I want to ask you if you have seen it.

Mr. MALEK. Well, let me say first of all that I do not think it would have been attached to the memo, because the capitalizing on the incumbency thing says tab G, and all the covering memorandum says "Attached is the Spanish-speaking organizational chart and phone numbers for your convenience." So I doubt that it was in this same package.

¹ Previously entered during testimony of William H. Marumoto. See book 13, exhibit 262-1, p. 5532.

² See book 13, exhibit 262-39, p. 5648.

Mr. HAMILTON. It may not have been. That is why I indicated that it—

Mr. MALEK. Nevertheless, let me look at it to determine whether or not I do recognize it.

I may have seen this before. I really do not recall.

Mr. HAMILTON. Does it constitute a fair statement of what Mr. Marumoto and Mr. Armendariz were doing, to the best of your knowledge?

Mr. MALEK. Armendariz was not in my understanding to be involved in this sort of program. Mr. Marumoto was to be involved in certain aspects of these, for example, providing the campaign team with up-to-date information on all programs directed at the Spanish-speaking community, use of department and agency public information offices to publicize favorable administration activities on behalf of the Spanish speaking, develop specific ideas for using grants, personnel appointments and programs to fill out any gaps in the President's record; for example, appoint a Mexican American to a regulatory commission.

I understand the example. I don't understand exactly what is intended by the first part of it. The fifth statement on there, I do not understand what that means at all.

Mr. FREEDMAN. Weren't these points discussed in the Camp David meeting of May 26?

Mr. MALEK. Marumoto made a presentation, I believe, on the activities they had going on to win the Spanish-speaking vote, and some of this was probably included. But again, I would offer the same comments. Some of this I really do not understand exactly.

Mr. HAMILTON. Mr. Malek, were you aware that Mr. Marumoto and Mr. Armendariz were seeking to obtain governmental grants for members of the Spanish-speaking community who were supportive of the administration? Were you contemporaneously aware of that?

Mr. MALEK. Well, my awareness was a little bit different. I was aware that Mr. Marumoto was involved in trying to generate grant applications from members of the Spanish-speaking community who were favorable or potentially favorable, and could generate potentially favorable publicity toward the administration. There are many Mexican-American groups who for one reason or another have not had the opportunity to participate in the grant process of the Government. They either aren't sophisticated enough, they are just not good enough grantsmen, or haven't had the kind of attention that they needed. And one of his responsibilities was to seek out groups like this, and try to get them participating and into the mainstream of what the Government could do to help them, because we felt this was an undeserved group, first, and secondly, we felt that it was a group that politically could be supportive of the President. I think this is really the way in which majorities are developed in American politics.

Mr. HAMILTON. Wasn't one of the focuses of their activities on providing grants to those who were supportive of the administration?

Mr. MALEK. Well. I tell you, if I had known that's what they were doing, that would have been ridiculous. Why should they—if you have a political motivation in mind, it would make a lot more sense to go to those who aren't supporting you and try to demonstrate to

them that the political system can work for Mexican-Americans as well as all Americans, because then you get an incremental vote. So I am not sure that that is exactly what they were doing, and what I was aware of, though, was that they were trying to generate grant applications and they were trying to guide these people into the process.

Mr. HAMILTON. Well, I have some memorandums here that I would like to show you. I have a series of them, and I tell you what. Let me identify these memorandums and read a passage from each, and then when I get through the three or four I have here, then we can discuss them.

Mr. MALEK. OK.

Mr. HAMILTON. The first one I am reading from is dated May 12, 1972.¹ It is from Mr. Marumoto to you and Mr. Colson. It is a weekly activity report of the Spanish speaking. All of the memorandums that I am going to read from are weekly activity reports, and I think Mr. Freedman can give you copies of these. The first one I am reading from, paragraph 16, said: "Rodriguez met with Carlos Villareal."

Senator WEICKER. Carlos Villareal.

Mr. HAMILTON. "Administrator of UMTA to talk about setting aside specific moneys for some of our Republican SS contractors." I take it SS means Spanish speaking?

Mr. MALEK. Right.

Mr. HAMILTON. Then a memorandum from Mr. Marumoto to you and Mr. Colson, dated May 5, 1972,² reading from paragraph 7(b) :

Department of Transportation: working with UMTA re a \$70,000 grant to J. A. Reyes Associates of Washington, D.C. He is the chairman of the District of Columbia-Maryland-Virginia section of National Hispanic Finance Committee.

Then, reading from a memorandum from Mr. Marumoto to you and Mr. Colson, dated April 7, 1972,³ paragraph 10(a) :

In the grants area, Rodriguez and I are working on the following: (a) reviewing with John Evans, Bob Brown, and Wally Henley proposals and grants at OMBE to make sure the right people are being considered and receiving grants from OMBE.

And then finally, from a similar memorandum from Mr. Marumoto to you and Mr. Colson, dated May 19, 1972,⁴ reading from paragraph 18:

Rodriguez is assisting Ultrasystems, Inc., of Long Beach, Calif., with a \$200,000 grant from OMBE. This organization strongly supports the administration.

Now, when you received these progress reports, didn't those passages give you some indication that Mr. Marumoto was seeking grants for people who were supportive of the administration?

Mr. MALEK. Well, a couple of points I should make here. First of all, as I think Mr. Marumoto pointed out when he testified before you, he was reporting to me on personnel matters and to Mr. Colson on other matters, and so when I read through a memorandum like this I was particularly watchful for two things: one, what he was doing in the way of liaison with the Committee To Re-Elect, where I had some responsibilities; and two, personnel actions.

¹ See Book 13, p. 5576.

² See Book 13, p. 5571.

³ See Book 13, p. 5556.

⁴ See Book 13, p. 5579.

And second, I'm not even sure I read all of these memorandums. I couldn't tell you which ones I read and which ones I didn't. I had an awful lot of things coming in at that time, and reading an activity report which didn't require a decision or an action would have been pretty low on a priority list. And occasionally I would read them and sometimes I wouldn't. So I don't know that I actually read all of those, although I am sure my office received them.

Finally, in reading through those, if I had seen the kind of things—and out of these four it is a reasonable assumption that I would have read through at least one of them—I think I would have interpreted the way I interpreted what his activities were, that he was working with some Spanish-speaking groups who had not had the opportunity to participate in the Federal grant process before, to try to help them develop the skills with which to apply for grants, to qualify for grants, on a substantive basis. I did not think Mr. Marumoto was doing anything improper, and I am not sure that he was. Today, I don't know that he was.

Mr. HAMILTON. If you read a document, Mr. Malek, like the one that is dated April 7, 1972, paragraph 10(a), that says: "We are reviewing grants in OMBE to make sure the right people are being considered and receiving grants from OMBE—OMBÉ only deals with minorities," how would you interpret "right people"?

Mr. MALEK. Well, I would assume, given what I perceived his job to be, that they were trying to insure that groups that they had been developing and encouraging were getting their applications in, and that they were being given serious consideration.

Mr. HAMILTON. You would not interpret "right people" as being supporters of the administration?

Mr. MALEK. I didn't say that. What I said was that people that they had encouraged and brought along and tried to bring into the system, they may or may not be supporters of the administration, but certainly part of the intent here was not only to bring Mexican-Americans into the mainstream, but to gain political benefit from so doing. So I would assume that those people, those groups that he refers to as the "right people" would be groups that were either favorably inclined or potentially favorably inclined toward the administration, or groups whose receipt of grants would reflect favorably within the Spanish-speaking community on the administration.

Mr. HAMILTON. Were you aware that Mr. Marumoto and Mr. Armendariz were signing off on grants?

Mr. MALEK. No. No; I was not aware of that, to the best of my recollection.

Mr. HAMILTON. Let me show you a memorandum dated March 31, 1972.¹ This memorandum did not go to you. It just went to Mr. Colson, even though it is the same type of weekly activity report for Spanish-speaking that we have been referring to before. In paragraph 12 of this memorandum there is this statement: "Armendariz and I signed off on a \$600,000 SBA/Navy grant to a Spanish-speaking California firm."

¹ Previously entered during testimony of William H. Marumoto. See book 13, exhibit 262-10, p. 5551.

Even though this memorandum was not directed to you, in the title, it does show that you got a copy of it back. Do you recall seeing this particular memorandum? I would be happy to show it to you.

Mr. MALEK. Yes; let me take a look at it. I do not recall this specific memorandum; no. I may have seen it. I do not recall.

Mr. HAMILTON. Do you consider it proper for an official in the campaign committee to be involved in signing off on or approving grants?

Mr. MALEK. Absolutely not.

Mr. HAMILTON. So had you seen this, would you have disapproved it?

Mr. MALEK. If it had caught my attention—and I hadn't interpreted it that way—I think I would have determined really what they are doing. I can't really tell just from that description whether, in fact, they were sitting there exercising a signoff or whether he had just given Armendariz an opportunity to look at it. But, if you interpret it literally, what is said there, I would have been concerned about it.

Mr. HAMILTON. Were you aware that certain other persons working in the Spanish area were seeking to deny funding to certain Spanish-speaking grantees or potential grantees who opposed the administration?

Mr. MALEK. I don't recall hearing of any instances where they were trying to deny funding. I am a little bit—I read Mr. Marumoto's testimony prior to—over the weekend, and there was something in there that implied that. But I do not believe I was familiar with it before that.

Mr. HAMILTON. Well, there are several documents I would like for you to look at, and the first document is the document to you and Mr. Colson from Mr. Marumoto dated June 23, 1972¹; paragraph 13(f) says:

Rodriguez working with Nat Beyer of the Domestic Affairs Council, re identifying Spanish speaking groups who have applied for federal grants in DOL who are unfriendly toward the Administration.

Do you recall receiving this particular document?

Mr. MALEK. No; I don't recall reading the specific memo. Again, it is conceivable that I did. What item are you reading from?

Mr. HAMILTON. I am reading 13(f). The question is, why would Mr. Rodriguez be attempting to identify Spanish-speaking groups who are unfriendly toward the administration who were getting DOL grants?

Mr. MALEK. Well, I think you would have to ask him that.

Mr. HAMILTON. There are two other memorandums here that I would like for you to look at. These memorandums do not go to you, but they involved a firm called Development Associates. There are two memorandums here, one from Mr. Marumoto to Mr. Davison, who was in your office, I believe, at least at one time, and the second one for Mr. Davison from Mr. Armendariz. I will not read this whole—

Mr. MALEK. Can you tell me the dates on those?

Mr. HAMILTON. I am sorry. The first one is July 19, 1972, and the second one is July 24, 1972.² It would have been after you went to the White House.

¹ Paragraph 13(f) during testimony of William H. Marumoto. See book 13, exhibit 200, p. 300.

² Paragraph 13(f) during testimony of William H. Marumoto. See book 13, exhibit 200, p. 300.

Mr. MALEK. After I left the White House.

Mr. HAMILTON. I'm sorry, after you left the White House and went to the campaign committee. Now, these two memorandums suggest that proposals at DOL and HUD from Development Associates be stopped because this particular company is not sympathetic to the administration, and in fact its director, Mr. Sanchez, had some contact with Sargent Shriver. I would like you to look at these two memorandums, and while you are doing it—I am sorry to give you so many documents—I would also like to refer you to a memorandum to you from Mr. Marumoto, July 21, 1972,¹ at paragraph 10(b) where Mr. Marumoto says:

Recommended to Rob Davison that he carefully review the background of Leveo Sanchez whose firm has been receiving a number of grants.

Mr. MALEK. What paragraph?

Mr. HAMILTON. Paragraph 10(b).

Mr. MALEK. Yes. Well, I don't believe I've ever seen these other memos from either Armandariz or Marumoto to Davison. I doubt very much.

Now, the memo that he has here to Colson and me, just says he recommended Davison review the background, confirm that they've received a number of grants. That wouldn't trigger off anything in the back of my mind.

I would also add, once I went over to the campaign full time, I don't think I read this kind of stuff. I don't think I even had them send it over because I was really up to my ears trying to work and develop State campaign organizations. So I am really not in a position to comment on this.

Mr. HAMILTON. So it is your testimony you know nothing about this Sanchez situation?

Mr. MALEK. Well, I do not recall knowing anything about the Sanchez situation. It is conceivable that Armendariz or someone could have mentioned it to me. It is conceivable that I saw this memo. But I don't recall having seen it.

Mr. HAMILTON. In regard to attempting to cut off unfriendly groups, let me show you one more memo.

Mr. MALEK. Let me comment on this memo. This is certainly an interesting document, and I think it kind of demonstrates how things worked in this town. Here is this man Sanchez who had worked for Sargent Shriver, the Democratic Vice Presidential candidate, prior to that for Frank Mankiewicz, the McGovern campaign manager, and he had been evidently set up in business after this, and was getting a steady stream of grants to his consulting firms. I'll bet there are a lot of consulting firms in the country that would like to get \$1 to \$2 million from the Government every year, such as this fellow is getting, and I wonder just how he got that \$1 or \$2 million each year. It just seems to me that it is a good example of somebody being taken care of, and I wonder who was taking care of him. But in any case, I really do not know what, if any, actions Mr. Marumoto or anyone else—

Mr. HERSHMAN. If I might point out at this time, Mr. Malek, that a number of the groups mentioned in these weekly activity reports

¹ Previously entered during testimony of William H. Marumoto. See book 13, exhibit 262-37, p. 5638.

who were being acted on favorably by Mr. Marumoto or Mr. Rodriguez or Mr. Armendariz were also established consulting firms in business for a number of years and firms which had received funds previously under minority assistance programs.

Mr. MALEK. I understand that. But doesn't it make you just a little bit suspicious that here is this guy closely associated with Mankiewicz and Shriver getting a couple of million bucks every year of the tax-payers' dough for whatever kind of consulting he is doing? It sure raises my eyebrow a little bit.

Mr. HERSHMAN. Well, in conversations with members of the—

Mr. MALEK. I would sure like to know, and I bet a lot of people would like to know how he got set up in business and what his qualifications are for this amount of grant money.

Mr. HERSHMAN. In staff interviews with members of the relevant minorities assistance programs, agencies, and departments, Mr. Sanchez' firm was mentioned as one of the most qualified, highly qualified Spanish-speaking consulting firms in the country.

Mr. MALEK. And who mentioned this?

Mr. HERSHMAN. In interviews with members of the Office of Minority Business Enterprise or HUD or HEW.

Mr. MALEK. I wonder who they worked for before they got their jobs.

Mr. HAMILTON. I don't think we—

Mr. MALEK. This is a diversion which is not going to be of any use for you, and it is probably not of use for our process here.

Mr. HAMILTON. Well, let me just ask you a question. Do you consider it proper to cut off grantees who are responsible grantees because they are not supportive of the administration?

Mr. MALEK. Oh, no. No, not at all. I don't think that is appropriate.

Mr. HAMILTON. There is one final memorandum in this regard I would like to show to you, and this is a memorandum from Mr. Marumoto to you and Mr. Colson, dated May 26, 1972,¹ and I am looking at paragraph 5(b) on page 2. Mr. Marumoto reports:

In the grants area: Expressed concern to OEO re a \$3 million grant to the Mexican-American Unity Council, only to find that there are some legal hangups to try to cut them off. They promised at least to monitor the group.

When you received this did you take any action in regard to Mr. Marumoto's activities? Did you call him in and question him about it?

Mr. MALEK. I am not even sure I read this memo. I may have read it, but I don't recall it. This is getting close to the time, this is 5 days prior to my—the date on this is 5 days prior to my moving over.

Mr. HAMILTON. No, it's 35 days.

Mr. MALEK. I'm sorry, 35 days. You're right. In any case, I may have read it. I may not have. I do not recall the specifics here, and I do not recall this item you have pointed to.

Mr. FREEDMAN. Mr. Malek, Mr. Davison's name comes up a number of times in the last few memorandums. Was he carrying out responsiveness activities in this regard?

Mr. MALEK. Well, Mr. Davison was responsible for liaison with a certain group of departments and agencies. We had them divided up,

¹i Previously entered during testimony of William H. Marumoto. See book 13, exhibit 262-19, p. 5583.

and I think part of his, as I recall part of his liaison was with agencies like Labor and OEO, where apparently a lot of the discretionary grant money for minorities seems to go. And that is probably the reason he seems to be in there so much.

Mr. FREEDMAN. So he could be utilized as a conduit?

Mr. MALEK. Yes.

Mr. HAMILTON. Were you aware that Mr. Marumoto and Mr. Armendariz were seeking certain grants for La Raza Unida, if I am pronouncing that correctly, and the Southwest Council of La Raza, two Spanish-speaking groups, in order to neutralize them as administration opponents?

Mr. MALEK. I knew they were working with the La Raza group in trying to—as I recall, the La Raza group was a very vocal, very anti-Nixon organization, and they were spending some time trying to cultivate them, to try to at least make them neutral if not pro-Nixon. And they had gone down and talked to their leadership.

And I also recall that at one point in time somebody—I don't recall where it came from—suggested we provide a certain amount of funding, either through the campaign money or something else, for the group, and I think I rejected the idea as not seeming to be a very sensible one. That is basically what I can recall about La Raza.

Mr. HAMILTON. I have two of my endless stream of documents here that I would like to show to you. The first one is dated October 9, 1972, and it is a memorandum for you from Alex Armendariz, and the subject is the Zavala County grant. And I just read to you the last paragraph of this memorandum.

[The document referred to was marked Malek exhibit No. 22.¹]

Mr. HAMILTON [reading].

We have no way of publicly supporting this group—

He is talking about La Raza—

* * * without antagonizing Republicans and making La Raza Unida look as though they had sold out. At the same time, neither do we want to antagonize La Raza Unida's supporters and drive them back to their old positions as Democratic voters. The Zavala County grant provides us with an opportunity to support the party indirectly in a positive and legitimate manner. Such an action is likely to strengthen their position of neutrality, which is so politically beneficial to us.

And then, reading from another one of these reports from Mr. Marumoto to you and Mr. Colson, dated June 9, 1972,² paragraph 17(c) :

Rodriguez is working to obtain \$30,000 for the Southwest Council of La Raza for a conference next month. This is the group we want to neutralize.

Now first of all, do you recall being contemporaneously aware of the activities portrayed in these memorandums?

Mr. MALEK. No, I don't recall being aware of these activities. As I stated earlier, before you showed me these, I was aware that there was some effort to gain a more neutral position out of this La Raza group. I do not know what happened. You probably have talked to people and know whether they have ever provided any grants. I don't know of anything that ever happened to follow through on this.

¹ See n. 8405.

² Previously entered during testimony of William H. Marumoto. See book 13, exhibit 262-24, p. 5599.

Mr. HAMILTON. Well, I must say, I do not know as to these two specific grants what happened. Mike, do you know?

[Mr. Hershman nods in the negative.]

Mr. MALEK. It seems to me, just frankly, it seems to me to be a rather preposterous kind of a scheme here, that they think they are going to neutralize this party with a few bucks of grant money. I don't think it is a very good idea, even if it was appropriate.

Mr. HAMILTON. Do you think it is a proper use of Government funds?

Mr. MALEK. Of course not. My recollection was that they wanted campaign funds, they wanted us to take some money out of the campaign treasury to give to these people to help support some of their activities. And I thought it was kind of a harebrained idea. I didn't think it would work. I didn't pursue it. That is my recollection of it.

Mr. HAMILTON. I think to be fair, Mr. Malek, I should show you this memorandum to you from Mr. Armendariz dated September 8, 1972.¹

Mr. MALEK. Dated which?

Mr. HAMILTON. September 8, 1972—where there was a suggestion that \$8,000 be contributed to the campaign of a Mr. Muniz. And it says: "A promise was made to publicly condemn McGovern if such donation were made." And you have a handwritten note at the top: "Do you think we should do this? I am doubtful. How could GOP contribute to a rival candidate? In addition, it seems too cheap, Raza Unida's principles should be worth more than that. Fred."

Mr. MALEK. That is probably what I was thinking of.

Mr. HAMILTON. I think you were thinking of that. Of course, that particular episode is something distinct from this Zavala County grant, and also distinct from the \$30,000 for Southwest Council of La Raza to neutralize them.

Mr. HERSHMAN. To the best of your knowledge, was there any followup concerning the possible undercover funding of this organization in the tune of \$8,000?

Mr. MALEK. Not to my knowledge.

Mr. HERSHMAN. Did you have discussions concerning that funding with Mr. Colson?

Mr. MALEK. The La Raza funding?

Mr. HERSHMAN. Yes.

Mr. MALEK. I don't recall any.

Mr. HERSHMAN. Did you make any recommendations to Mr. Armendariz of the Committee To Re-Elect to speak to Mr. Colson concerning it?

Mr. MALEK. I don't recall having done so.

Mr. HAMILTON. I have just a few more questions on the Spanish area. What is the Cabinet Committee on Opportunities for Spanish-Speaking People?

Mr. MALEK. Well, that is a committee of principally domestic Cabinet officers. It is chaired by a man named Henry Ramirez who has a staff. The purpose, really the committee itself, of Cabinet members is not a unit which meets much. The staff itself carries out activities

¹ Previously entered during testimony of William H. Marumoto. See book 13, exhibit 262-50, p. 5677.

to try to help the Spanish speaking, kind of serving as an advocate for the Spanish speaking within the administration, try to find under-served groups within the community and get them involved, and so forth. I believe it is established by statute.

Mr. HAMILTON. Did the Cabinet committee have any campaign responsibilities?

Mr. MALEK. Yes. Ramirez as a Presidential appointee was asked to cultivate Spanish-speaking leaders on the President's behalf, to make speeches in support of the President, to try, insofar as is possible to publicize the administration's record in serving the Spanish-speaking people—generally those kinds of responsibilities.

Mr. HAMILTON. Was it your understanding that Ramirez was not Hatched—not under the purview of the Hatch Act?

Mr. MALEK. That is my understanding.

Mr. HAMILTON. How about the rest of the people on the committee? What is your understanding? The rest of the staff members of the committee?

Mr. MALEK. Well, I believe that the staff members of the committee, much of them would have been Hatched, aside from perhaps a couple of his assistants. But if they follow the pattern of other agencies, most of them would have been Hatched.

Mr. HAMILTON. Do you know if any of the members of the committee were working in the President's reelection campaign?

Mr. MALEK. Members of which?

Mr. HAMILTON. Members of the committee that were actually working on the—

Mr. MALEK. No; I don't know. I don't recall whether any were or not. Ramirez was the only one, I believe, that I knew.

Mr. HAMILTON. Mr. Malek, I would like to show you a couple of documents. The first one is from Carlos Conde—I believe it is C-o-n-d-e—to a number of people, including you, dated May 31, 1972.¹ On page 2 of this document, under the heading, "The Committee to Re-Elect the President," there is a suggestion that Diana Lozano be reassigned to Mr. Armendariz at the Committee To Re-Elect the President.

Mr. MALEK. Where is that at now? Page 2?

Mr. HAMILTON. Page 2, down at the bottom. Now, on the particular document I have here there is a handwritten note. Is this your writing right here?

Mr. MALEK. I think it is, yes.

Mr. HAMILTON. And I believe this says, "Let her work from where she is. No way she can be added." Wouldn't that be a violation of the Hatch Act?

Mr. MALEK. Let me read the paragraph.

Mr. HAMILTON. I would like a ruling that the documents we have identified will be made a part of the record.

Senator WEICKER. All right. Fine.

Mr. HAMILTON. I think we will proceed until we get finished, which will probably be another hour.

Mr. SCHULTZ. Jim, does your request for a ruling include those documents which you read excerpts from? You are going to put the whole document in?

¹ Previously entered during testimony of William H. Marumoto. See book 13, exhibit 262-22, p. 5595.

Mr. HAMILTON. Yes. I am going to put in the whole document. I think it would only be fair to have in the whole document where I have read excerpts.

Some of these documents like the Spanish-speaking documents are already part of the record. They were introduced with Mr. Marumoto, and I think the record is clear also that there are some documents that did not go to Mr. Malek. And I think it is clear, the record is clear where a document was used that he could not identify, that he did not know anything about that document. But I do think for completeness those documents still should be in the record. I would like to—can you stay for about 10 more minutes? There is one matter.

Senator WEICKER. No. As I said before, I have no objection—if you have a question, ask it now. I gather the insistence in having a Senator here—is that Mr. Malek's insistence or your insistence?

Mr. HAMILTON. It was my idea. I thought it would be appropriate.

Senator WEICKER. Well, in any event why do you not proceed with your questions?

Mr. MALEK. Do you want me to answer this about this?

Mr. HAMILTON. Yes, why don't you go ahead and answer that, and then I'm going to skip to something.

Mr. MALEK. Well, you asked if that would be a violation of the Hatch Act. It really would depend upon two things: One, if she is Hatched—and I don't think this memo establishes that she was Hatched; in fact, up above it says, "She had been assisting part-time in Carlos Conde's activities at the White House."

So maybe she isn't Hatched. I don't know, and I didn't know when I read the memo whether she was Hatched. I don't think it occurred to me that she was.

Secondly, to let her work from where she is. She was working at that time, as it is explained here, in doing research work which I assume was supporting her boss, Mr. Ramirez, as well. And I don't think that in itself would be a violation of the Hatch Act; So I don't believe you could interpret from this that I was condoning a violation of the Hatch Act, because I didn't know if she was Hatched, and I wasn't applying what kind of work she was going to do from where she was.

Mr. HAMILTON. Why don't we come back to that in a few minutes?

Mr. MALEK. All right.

Mr. HAMILTON. Because I do want to ask you some questions in the black area as opposed to the Spanish area. Who are Bob Brown and Paul Jones?

Mr. MALEK. Bob Brown was special assistant to the President with responsibility for liaison with various black groups and—I should say representing their points of view and interests in White House councils. Paul Jones was the head of the group at the Committee To Re-Elect, responsible for gaining the support of black voters.

Mr. HAMILTON. Now, I take it Mr. Jones reported to you, is that correct?

Mr. MALEK. Yes.

Mr. HAMILTON. How about Mr. Brown? Did he have any reporting responsibilities to you?

Mr. MALEK. No.

Mr. HAMILTON. Is it fair to say that Mr. Jones and Mr. Brown coordinated their activities?

Mr. MALEK. Yes.

Mr. HAMILTON. Were you aware that Mr. Brown and Mr. Jones were attempting to get grants, contracts, et cetera, for black groups supportive of the administration?

Mr. MALEK. I was aware here again, as in the Spanish-speaking area, that they were trying to develop, particularly Mr. Brown was trying to develop, grant applications that would meet the established criteria for members of the black community who heretofore had not had the opportunity to participate.

Mr. HAMILTON. Well, did you understand that the emphasis was getting grants, et cetera, for blacks supportive of the administration?

Mr. MALEK. Well, the way I understood what he was doing was that he was trying to demonstrate to blacks that a Republican administration was responsive to their needs, and in so doing he was encouraging black groups who had legitimate needs and legitimate programmatic activities to apply for grants.

Now, the end result of this, of course, would be that if they got the grants that they would then recognize that they can indeed work with the Republican administration, and there would be political benefit.

Mr. HAMILTON. Was it your understanding that Mr. Brown and Mr. Jones were trying to drum up black support for the administration?

Mr. MALEK. Yes.

Mr. HAMILTON. And contributions from black groups by the use of Government resources? In other words—

Mr. MALEK. Contributions?

Mr. HAMILTON. Yes.

Mr. MALEK. No. I was never—I was not aware that they were trying to use Government resources to gain contributions. That is clearly a violation of the law.

Mr. HAMILTON. How about vocal support for the administration?

Mr. MALEK. Oh, yes, that was their mandate. I did not know that they were in the fundraising business except for one black fundraising dinner we held here in Washington. I had assumed that most of their activities were confined to gaining votes.

Mr. HAMILTON. Let me read you passages from two documents—Senator Weicker, are you leaving?

Senator WEICKER. Yes. I might add if you are going to go much beyond an hour, he has apparently got a problem with his throat, and I would inquire as to whether your witness wants to continue or not, all right?

Mr. HAMILTON. OK.

Senator WEICKER. Otherwise, if there is any problem that comes up, let us know. We will be on the floor.

Mr. HAMILTON. Thank you. I hope I am not going to go beyond an hour. I am doing my best.

Mr. MALEK. Let's do whatever you have got to do. I am fine.

Mr. HAMILTON. I want to read from a memorandum to you from John Clarke dated June 15, 1972. Actually, there is a cover memorandum entitled "Black Vote Field Plan," and the field plan is attached. And I am reading from page 5, under the heading "Special Activities: Grants and Government Resources."

[The document referred to was marked Malek exhibit No. 23.¹]
Mr. HAMILTON [reading] :

At the present time, Bob Brown and his staff are handling the grants activity. To date, they have identified all blacks who are receiving or have received money from this administration. These recipients are being utilized as a source of campaign contributions and volunteers, and as a vehicle for getting our appointees invited to various black events as speakers and participants. They also form an excellent group of visible blacks, and they are being used to reach the voters in their areas of influence.

In addition to the above results, Bob and his staff are actively seeking out other projects that could be funded to the benefit of the campaign. They are specifically looking for projects that will impact heavily on blacks due to voter appeal and black involvement. To date, they have been very successful in this area. A local black building contractor, Jack Crawford, has developed a program for identifying potential projects, getting them funded through Bob's office, and in return obtaining a strong vote commitment for the President from the recipient. This plan is being actively pursued at present.

Another specific project that is under way is the identification of all remaining grant and loan monies with a view to carefully allocating those funds to projects which will impact most heavily on black voters.

Finally, Bob and his staff are working closely with Dan Kingsley to identify various advisory boards and commissions and job openings which can be filled by visible blacks.

Now, before I ask you any questions I would also like to read to you from a June 26, 1972, memorandum from you to Mr. Mitchell which is entitled, "Black Vote Campaign Plan."

[The document referred to was marked Malek exhibit No. 24.²]

Mr. HAMILTON [reading on page 2 from item 3] :

Intensify efforts to utilize government grants and loans. I feel that our strongest selling point with black voters is the economic assistance this Administration has provided the blacks. To fully capitalize on this, we have to do a better job of publicizing the grants already given and of identifying new projects for which we will receive maximum impact.

The major portion of the responsibility for this activity falls on the White House side of the black team. Bob Brown and his staff have identified all blacks who are receiving or have received money from this administration. These recipients will be utilized as a source of campaign contributions and volunteers, and as a group of highly visible blacks to be used to reach the voters in their areas of influence.

Effective allocation of new grants requires close coordination between the White House and the campaign team. As a first step I have asked Bob Brown to identify all major sources of grant and loan money which could be allocated to blacks. Then Jones and Sexton, working through their field organization, will be responsible for finding recipients in key cities who will be supportive of the reelection effort.

Now, do these two passages accurately describe to your knowledge the activity in the black area?

Mr. MALEK. This is the first time I have seen these in 2 years, if in fact, I saw them then. Is this something that definitely went from me to Mitchell?

Mr. HAMILTON. Well, perhaps I should ask you—is it a memorandum for John Mitchell from you?

Mr. MALEK. Well, it is something that could have been prepared for my signature but never signed and sent.

Mr. HAMILTON. Mr. Malek, I have no way of knowing, but I suppose I should have asked you whether you recognize this as a document you sent to Mr. Mitchell.

¹ See p. 8406.

² See p. 8414.

Mr. MALEK. I can't say that I did; I can't say that I didn't. But in any case—

Mr. HAMILTON. Let me ask you this question. Mr. Mitchell was the campaign director. Is it fair to say that memorandums that were sent to him over your name would have been read and approved by you?

Mr. MALEK. Oh, yes. But I am just not sure that I sent this. I had asked John Clarke to look at our black voter group organization because I didn't think it was working right, and I didn't have time to get into it in detail. And that is what this cover memo was all about, and I guess what this plan that is attached is all about. And conceivably this memo was for me to send to Mitchell to implement some of these recommendations. I don't know whether I sent it or not, or saw it or not.

But, in any case, to get to the crux of your question, whether this represents my understanding of the black vote activities, I did know that people who had contributed—excuse me—people who had received grant money from the administration, particularly here we are talking about business enterprises who had been assisted by the administration were thought to be logical sources of support for the administration, a Republican administration that didn't have very much support among the black voters. So it was perceived by some who were working on this that it would be logical to go to some of these who had received major amounts of funds, because they would more than likely, because of this, be appreciative and be supportive. And using them as a nucleus—many of them are respected names—we would then have the opportunity to develop further support.

Mr. HAMILTON. Were the blacks who had received contracts being solicited for contributions, as well as vocal support?

Mr. MALEK. Well, that I really—it says in this memo that they will be utilized as a source of campaign contributions. I was not in the fundraising business whatsoever. I had nothing to do with fundraising. And, in particular, if I had had something to do with fundraising, I think I would have spent my time where the bigger money was. I don't think I would have been trying to take on the black community, which is not the wealthiest community in the country by a long shot.

So it was not my intention that Paul Jones, who worked for me, be involved in any way in fundraising, aside from one event, which was a massive \$100-a-plate dinner that was held in Washington back in May or June. And the only reason I let him participate in that was because I felt it would be, because of the great large number of blacks who had indicated a desire to attend, some of the big names that were willing to speak at such an event, that it would have political benefit to the administration by the publicity to be gained from it. But I was not—I did not have any intention that Jones or his people be involved in fundraising.

Mr. HAMILTON. Were you aware that the blacks who were asked to that \$100-a-plate dinner were Government contractors?

Mr. MALEK. I was aware that among the people at the dinner were people who had been past recipients of Government awards; yes.

Mr. HAMILTON. What type of awards? Grants, loans, contracts? Do you know the specifics?

Mr. MALEK. Probably all. I really don't know. I was just aware there was a wide cross section of blacks coming in, some of whom were simply strong supporters of the administration, some of whom had developed businesses on the basis of Government grants and loans. But I wasn't aware that there was any direct solicitation based on their awards.

We had big contributors from other industry as well. Most of our large contributors are involved in business that have Government contracts. Most of the large contributors of any political candidate come from businessmen, and most businesses have Government contracts, so that wasn't a particularly unusual sort of thing that those blacks who were for us were those who were in business, not those who were on welfare. And the fact that many of them who came in were recipients in the past of Government loans and contracts really meant that they were business people, and this was the normal community that we could hope to attract.

Mr. HAMILTON. Do you know Jack Crawford, a local black building contractor identified in this memorandum from Mr. Clarke to you?

Mr. MALEK. Yes; I think I have met Jack Crawford.

Mr. HAMILTON. Did you have a meeting with him to discuss his program for identifying potential projects, getting them funded through Bob's office, "and in return receiving a strong vote commitment for the President from the recipient"?

I am reading, of course, from Mr. Clarke's memorandum to you of June 15, or at least from the field plan—black vote field plan.

Mr. MALEK. No; I don't believe I ever met with Crawford on that. I believe that I met with Crawford on one occasion, and the only reason I did it was because I was literally pressed into it by someone who thought Crawford was just really a great guy and could come in and really show us how to run the black political campaign. And in deference to this individual's request, I met with Mr. Crawford just to kind of size him up.

It was my recollection—if it is the man I am thinking of, it is—to my recollection, that was the only time I met with him. And after I met with him, I really didn't think he could be very useful to the campaign.

Mr. HAMILTON. Did you know he had submitted a written plan in regard to this program to Mr. Mardian?

Mr. MALEK. Well, I don't really recall if I knew that or not. It was Mardian who insisted I meet with him.

Mr. HAMILTON. Did you ever see a written plan, anything in writing from Mr. Crawford?

Mr. MALEK. I don't recall having seen anything in writing from him. If I did, I doubt that I would have taken any time to read it.

Mr. HAMILTON. Now, the way these memorandums are written, at least the first memorandum, it comes close to suggesting a quid pro quo arrangement. It says, "Mr. Crawford has developed a program for identifying potential projects, getting them funded through Bob's office, and in return obtaining a strong vote commitment for the President from the recipient."

Was it your understanding that Mr. Brown was attempting to achieve a commitment from blacks who were receiving grants, that

they would support the administration as a quid pro quo for the grant?

Mr. MALEK. No; that was not my understanding.

Mr. HAMILTON. So you think what is written here was an error, or you disagree with my interpretation of it?

Mr. MALEK. Well, I disagree with your interpretation, or perhaps it is a question of sloppy writing plus misinterpretation. What page is that on again?

Mr. HAMILTON. Page 5.

Mr. MALEK. Where is that, on the top?

Mr. HAMILTON. Page 5 in the first full paragraph. It starts off, "In addition."

Mr. MALEK. All it says here is that Crawford developed a program—oh, it says the plan is being actively pursued. I wasn't aware they were doing anything like that, "looking for projects that will impact."

It says:

Crawford has developed a program for identifying potential projects, and getting them funded through Bob's office, and in return obtaining a strong vote commitment for the President from the recipient.

That could be interpreted several ways.

It could be interpreted as a direct quid pro quo. It could be interpreted that it is in return for these people being considered, that they would be for the President anyhow. I don't really know how to interpret it. You would have to ask the writer of this particular document. Now, as to whether I was aware that they were doing this, or aware of the Crawford plan, I do not believe that I was.

Mr. HAMILTON. And it is your testimony that Mr. Crawford, when you talked to him, did not discuss this plan with you?

Mr. MALEK. I do not recall that he discussed his plan. He may have. He may have laid out a general kind of an approach such as this. But the one thing I do recall from my meeting with Mr. Crawford is that I was not terribly impressed with his overall approach to campaign organization. It was not consistent with what I—how I felt the black campaign needed to be developed.

Mr. HAMILTON. In this memorandum that you wrote Mr. Mitchell—or at least it appears that you wrote Mr. Mitchell—on page 2 there is this statement:

In section 3, Jones and Sexton, working through their field organization, will be responsible for finding recipients in key cities who will be supportive of the reelection effort.

And there is a similar statement in the Clarke document, which says, on page 5:

Another specific project that is under way is the identification of all remaining grant and loan moneys with a view to carefully allocating those funds to projects which will impact most heavily on black voters.

I take it from these two statements that there was, indeed, a concentrated effort to allocate grant money, loan money, in the black area, with the intent of affecting the reelection campaign.

Mr. MALEK. Would you repeat that?

Mr. HAMILTON. I take it from these two statements that I have read to you from the memorandum that you ostensibly wrote and the

memorandum that Mr. Clarke ostensibly wrote that there was an effort to allocate money in the black community, allocate grants and loans, with the intent of affecting favorably the President's reelection campaign?

Mr. MALEK. Well, I think if you read this, what it says here is that they would identify grant moneys "with a view to carefully allocating these funds to projects which will impact most heavily on black voters."

What that means to me is that they are to be allocated in a way that would reflect favorably on the President and would demonstrate to blacks that a Republican administration is concerned with them. And that, in fact, was the intent, that we do a better job of getting black groups to apply for grants and contracts and to get them together with the various programs that could be helpful to them, such as minority business enterprise and the SBA loan programs.

Mr. HAMILTON. You do not interpret this provision as saying the plan is to put the money where it will best advantage the President? In other words, put the money where you will get the black votes?

Mr. MALEK. Well, yes; you are putting the money where you can—there is an implication here that you are putting the money where you can have an impact on the voters and gain political consideration. But I think that is totally consistent with my earlier statement of allocating the funds in a way that will demonstrate to blacks that they can work with this administration.

Mr. HAMILTON. What is your explanation of the sentence that I read you at page 2 of the memorandum you ostensibly wrote to Mr. Mitchell:

Jones and Sexton, working through their field organization, will be responsible for finding recipients in key cities who will be supportive of the reelection effort.

Isn't it a fair interpretation of that provision that money is going to be channeled, or rechanneled, to those people—

Mr. MALEK. That was never my intention that that be done. And since I really can't tell you that this is a memo that I approved or sent, it is kind of difficult for me to explain the intent. It does seem to me that it could be interpreted several different ways. However, even if that were the case—

Mr. HAMILTON. Did you ever have a conversation with Mr. Mitchell about this particular memorandum?

Mr. MALEK. Well, as I recall it, I met with Mr. Mitchell and discussed the black organization and the need to strengthen it, but I do not recall sending him a memorandum on the subject. My normal practice in dealing with Mr. Mitchell was to sit down and discuss with him things I wanted to do and gain his approval. It would not have really been necessary to send this kind of memorandum since I met with him on a regular basis. Now, that is one of the reasons that leads me to believe that this is not a memo that I approved or sent.

Mr. HAMILTON. You weren't in the habit of sending Mr. Mitchell memorandums?

Mr. MALEK. I sent Mr. Mitchell memorandums, but on something like this where all I wanted to do was to—where I really didn't need a decision from him that couldn't have been handled verbally—all I was asking to do would be to add a man from the Republican National Committee to the campaign committee—it doesn't seem to me in retro-

spect it is the kind of thing that I would have needed to send him a memo on.

Mr. HAMILTON. So it is your testimony, you do not remember his discussing with you this particular memorandum or this particular plan that is set out here?

Mr. MALEK. That is correct. I do not recall discussing this memorandum or this plan with Mr. Mitchell, nor do I recall reading or sending this memorandum to him.

Mr. HAMILTON. You do not recall any disapprobation expressed by Mr. Mitchell as to the contents of this memorandum?

Mr. MALEK. I don't recall it, which doesn't mean it didn't happen. But I don't recall any.

Mr. HAMILTON. OK, Mike.

Mr. HERSHMAN. All right. Because I'm a little bit hazy on the authorship of this memorandum, and because it is such an important memo, I would like to go over it point by point.

The first sentence says, "As we have discussed, there have been some problems in getting the black vote campaign moving." Did you have a discussion with Mr. Mitchell in which you indicated there were some problems in getting the black vote campaign moving?

Mr. MALEK. Oh, yes, several.

Mr. HERSHMAN. OK. Let us skip down to the last sentence of that paragraph. "I have developed a three-part plan of action which is described below." Did you develop a three-part plan of action?

Mr. MALEK. Well, I remember a two-part plan of action.

Mr. HERSHMAN [reading]:

Part No. 1, support Jones with an experienced political organizer to compensate for Jones' lack of political experience. I have arranged the addition of Ed Sexton as field operations manager.

Did you indeed do so?

Mr. MALEK. Yes. That is not completely accurate. He never became totally the field operations man. That is the role I had intended, but we didn't work it out exactly that way.

Mr. HERSHMAN [reading]:

No. 2: Establish a field organization focused on key cities. Once Sexton is on board, he can begin to build the field organization that we now lack. Under him we should have two field coordinators responsible for working with the State Nixon organizations to establish effective black organizations in key cities. The field coordinators and the field operations manager would each be assigned responsibility for specific key States and cities.

Is this part of your plan of action?

Mr. MALEK. Yes, generally.

Mr. HERSHMAN [reading]:

Part 3, intensify efforts to utilize Government grants and loans. I feel that our strongest selling point with black voters is the economic assistance this administration has provided to blacks. To fully capitalize on this, we have to do a better job of publicizing grants already given and of identifying new projects for which we will receive maximum impact.

Was this part of your plan?

Mr. MALEK. It was my intention, yes, to more fully capitalize on what we had already done for the black community by publicizing these efforts, and also, as I stated earlier, to try to identify groups which had been underserved where new projects—and who could apply and qualify for grants and contracts and the like.

Mr. HERSHMAN. And as the next paragraph indicates, was the major portion of the responsibility for that activity in the realm of the White House side of the black team?

Mr. MALEK. That is correct.

Mr. HERSHMAN [reading]:

Bob Brown and the staff have identified all blacks who are receiving or have received money from this administration. These recipients will be utilized as a source of campaign contributions and volunteers and as a group of highly visible blacks to be used to reach the voters in their areas of influence.

Was that part of your plan?

Mr. MALEK. Well, as I stated earlier, we felt that, given the very limited support we had in the black community, that a very natural area to search for initial support would be amongst those who had benefited from this administration's presence and to find those amongst that group who would be—who were supportive and who could kind of act as a rallying point to other blacks.

Mr. HERSHMAN [reading]: "These recipients will be utilized as a source of campaign contributions and volunteers." Now, I am talking about recipients of money from this administration. Was this part of your plan?

Mr. MALEK. Well, as I said earlier, I had nothing to do with fundraising, and I did not have a plan for raising of funds.

Mr. HERSHMAN. Sir, we just went through this, almost this entire memorandum, and you have identified everything in here as being part of your plan.

Now, I would like you to either identify or disassociate yourself with this particular sentence in this plan. "These recipients will be utilized as a source of campaign contributions and volunteers and as a group of highly visible blacks to be used to reach the voters in their areas of influence."

Mr. MALEK. What I am saying is, if in fact the finance committee intended to use these contributors, these recipients of grants as a source of campaign contributions, that could have been so. I do not recall. It certainly was not part of my plan, because I had absolutely no responsibility for raising one cent. My responsibility was organizational and political, not fundraising.

Mr. HERSHMAN. So, then, your testimony is that this strategy was not part of your plan? Is that correct?

Mr. MALEK. My testimony is that I do not recall having any—giving any direction concerning the raising of campaign contributions from black grant or contract recipients.

Now, on the other hand, we did intend—I did approve the plan that I believe Bob Brown had to try to use these recipients as kind of a cornerstone for building a black organization, since, as I stated, we did not have much support amongst the black community, and these people who were in business and who were generally more conservative than the average black in political philosophy, and who had benefited from the policies of this administration, were the natural place to turn to get a nucleus of support in key cities, which could then be built upon. But here we are talking about organizational.

Mr. HERSHMAN. Going on to the third paragraph under "Intensify efforts to utilize Government grants and loans," it states:

Effective allocation of new grants requires close co-ordination between the White House and the campaign team. As a first step, I have asked Bob Brown to identify all major sources of grant and loan moneys which could be allocated to blacks.

Did you indeed do so?

Mr. MALEK. I don't recall.

Mr. HERSHMAN [reading]:

Then Jones and Sexton, working through their field organization, will be responsible for finding recipients in key cities who will be supportive of the election effort.

Is that, sir, part of your plan?

Mr. MALEK. I do not believe it was part of my plan. I do not believe I ever asked Jones and Sexton to work with their field organization to find recipients who would be supportive of the reelection. But I do not recall that, and I do not know what Mr. Jones or Mr. Sexton said. I do not recall ever asking them to do that.

Mr. HERSHMAN. So that in summarizing this memo, would it be fair to say that the major portion reflects your strategy as to the black vote campaign, with the exception of soliciting funds from recipients, grant recipients, and with the exception of working through the field organization in finding recipients in key cities who would be supportive? Is that correct, sir?

Mr. MALEK. That is correct.

Mr. HERSHMAN. Thank you.

Mr. DASH. This was your memorandum?

Mr. MALEK. Well, we haven't established that, Mr. Dash.

Mr. DASH. Haven't we?

Mr. MALEK. It does say "from Fred Malek to John Mitchell." I do not recall signing or sending or reading this particular memorandum, and it could have been drafted for me to send. I do not recall.

Mr. DASH. Just in response to some of your answers that I just picked up, if this were your plan and were sent by you, the language "these recipients will be utilized," if there was an organizational kind of concept—it may be semantics—the language could be that these recipients could be utilized, with the reference "will be." And later on each time, "Then Jones and Sexton, working through their field organization, will be responsible."

It seems to be some expression of a plan that is not a potential plan but is one that is in effect—will take effect.

I wondered if a memorandum which reads "from Fred Malek to John Mitchell" seems to be one which actually is telling him of a plan that will take place.

Mr. MALEK. Well, two points that should be made there, though: First, I recall discussing with Mr. Mitchell the changes I wanted to make in the black campaign, which was not at this point going very well. I do not recall drafting, signing, or sending him a memorandum on the subject. So I cannot say that this memo was something that had my approval.

Second, I think I should say that it was never my intention to utilize our grant and contract moneys for gaining support, specifically of specific grant recipients of the reelection effort. And I do not believe, to the best of my recollection, that Mr. Jones or Mr. Sexton ever

worked with their—within their field organizations specifically identifying potential recipients for grants and arranging for them to get grant or contract money in return for reelection support. I don't believe that happened.

Mr. DASH. Who on your staff may I ask—

Mr. MALEK. Now, you have probably questioned these people, and it might be interesting to know what they have to say. I do not recall ever giving any direction of that sort, and it certainly was never my intent to do that.

Mr. DASH. Actually, the source material for many of these memos do come from, in fact, the memos from either the White House or the Committee To Re-Elect the President. So that, in effect, is a correct copy of a memo that did in fact go to Mitchell.

Now, if this was a memo that bore your name to Mr. Mitchell but one you did not draft, who on your staff would be likely to be drafting memos on your behalf to Mr. Mitchell?

Mr. MALEK. Now, the language is very similar to what is in this other paper that was prepared here, which was really an amplification of a total plan for attracting the black vote. It seems to me, in effect, that this is—I just kind of glanced at this—but this one to Mitchell seems to be a summary of this longer plan, which was submitted to me. And, conceivably, whoever was participating in preparing this may have prepared this for me to send to Mitchell to kind of get this underway, but I just don't recall having read this or signed it.

Mr. DASH. I understand that the kind of question I asked, they have been going into before, so I don't want to repeat the questions.

I guess the only question I have is that when a memorandum, either by a staff person or anybody acting under your supervision, would purport to send a memo or draft one—I assume it is true in many staffs that subordinate staff people do draft memos for their superiors; did this ever occur in which the memo wouldn't at least be shown for your approval before being sent out to Mr. Mitchell?

Mr. MALEK. Oh, it would not have been sent without my approval. I am quite sure of that. What I am saying is I'm not at all certain this was sent to Mitchell. It is the kind of thing that could have easily been prepared, and I would have said, "Oh, hell, I'll just talk to John about this. I'm going to meet with him tomorrow; I'll just go over this with him."

You know, there is no approval blank. I'm not asking him for approval. I'm just sort of informing him. Maybe I just mentioned it to put it on a list of six things I'm going to discuss with him when I see him tomorrow. I don't know, Mr. Dash.

I am not denying that I sent the memo. I simply do not recognize the memo and do not recall having sent it. But, irrespective of that, I can tell you without any doubt whatsoever that the intent was not to, was not to do what you interpreted this last sentence to do, and that is to find recipients and then give them grants in return for their support of the reelection effort.

Mr. HAMILTON. Mr. Malek, hadn't you been informed though, that Mr. Brown and Mr. Jones were, in fact, trying to get grants from various departments for various persons?

Mr. MALEK. I knew that they were working on grants, yes. But my impression of what they were doing is the same as was being done

in the Spanish-speaking effort, and that is that they were going out and looking for potential grantees and contractors.

Mr. HAMILTON. Can we go off the record?

[Discussion off the record.]

Mr. HAMILTON. Back on the record.

Is it fair to say that Mr. Jones and Mr. Brown were seeking grants for individuals who were supportive of the administration and that you had been so informed?

Mr. MALEK. No, I don't think that would be a fair way to categorize it at all. I think the way I understood it was, that they were reaching out into the black community to find people who had not had the opportunity to participate in many of the programs of Government which aid minorities, and try and encourage them to apply for grant applications and, if they were substantively qualified, hopefully to receive them, and in this way to demonstrate to the black community that it was possible to work with this administration, with the Republican administration, and that consequently the hope was that they would then judge—and other blacks that saw this happening—would judge this an administration that they would like to support.

Mr. HAMILTON. Let me show you a memorandum that was written to you by Mr. Jones, dated September 7, 1972, weekly activity report. And I would like to read to you what amounts to the first, second, third, fourth, fifth, and sixth paragraphs. Mr. Jones reports, "Attended White House OMBE meeting to clarify status of minority-oriented proposals that had been submitted by active supporters."

[The document referred to was marked Malek exhibit No. 24-A.¹]

Now, does this passage convey to you that Mr. Jones and others were involved in trying to achieve grant money, loan money, for active supporters?

Mr. MALEK. Well, first of all, here again I'm not sure that even though this is addressed to me and sent to me that I bothered to read it. At this stage of the game, September 7, the activities of the black campaign, the Black Vote Division, were not high on my list of priorities, although a lot of polls indicated that we had kind of leveled off in terms of the black support we could expect, and our major targets of opportunity were really in other areas.

And I really doubt that most of these, as well as most of the voter bloc memos, probably didn't even get read to me. In fact, they went to one of my staff members, who a lot of times would not even forward them to me. So I'm not sure I saw this.

In the event I did see it, again here, you could interpret this several ways. "Clarify the status of proposals that had been submitted by active supporters." Clarifying the status could be to find out where they were so that they could, in turn, let the people know where their grant applications stood, whether they were in the ballpark, whether they had any promise of being acted on in this year or next year or this month or whatever. So it could mean different things.

Mr. HAMILTON. Let me show you another memorandum if that one is too late and you weren't concerned about the black vote at that time. This one is dated May 11, 1972, and it is from Paul Jones to you, again, a weekly activity report.

¹ See n. 2417.

[The document referred to was marked Malek exhibit No. 25.¹]

Mr. HAMILTON. The fifth paragraph says, "Coordinating and developing with Bob Brown's office a strategy for a \$30 million negotiation for the Department of Labor." Why would Mr. Jones, who was a campaign official, be involved in a \$30 million negotiation with Labor?

Mr. MALEK. I don't know.

Mr. HAMILTON. Do you remember seeing that memorandum?

Mr. MALEK. No.

Mr. HAMILTON. Wouldn't something like that have struck your eye, that a \$30 million grant was being negotiated by—

Mr. MALEK. It doesn't say grant. It says "a strategy for a \$30 million negotiation for the Department of Labor." It is amazingly unclear and not very comprehensive. I couldn't tell you what that meant. Could you?

Mr. HAMILTON. I take it it would mean a grant, a contract, a loan, something of that nature, \$30 million put up by the Department of Labor.

Have you got any specifics on that?

[Mr. Hershman nods in the negative.]

Mr. MALEK. I think it's pretty sloppily written. I have no idea what it means.

Mr. HAMILTON. Isn't it true that some concern was expressed to you by various people—Mr. Brown, Mr. Marumoto, Mr. Jones, and Mr. Armendariz—that their program to use OMBE grants was being frustrated by personnel at the Office of Minority Business Enterprises, specifically, Mr. Jenkins?

Mr. MALEK. Yes. They felt very strongly that the funds from the Office of Minority Business Enterprise were being utilized in a partisan manner to help our opponents, while those who were potentially supporters were being ignored. They felt that the incumbent of OMBE, Mr. Jenkins, and his staff had—were being influenced or had motivations to help the opposition party. And I never really have met Mr. Jenkins or looked into the program, but they all seemed fairly convinced of that.

Mr. HAMILTON. I have here a memorandum to Mr. Brown, Mr. Marumoto, Mr. Jones, and Mr. Armendariz from you dated March 3, 1972,² I believe it has your initials on it. Is that your writing?

Mr. MALEK. Yes.

Mr. HAMILTON. The first paragraph reads:

Each of you has expressed concern to me recently about the use of OMBE grants. This obviously represents an excellent opportunity to make a contribution and gain headway in the black and Spanish-speaking area.

Now, is it a fair interpretation of this passage that you have written that OMBE grants were to be used to gain headway, to gain votes in the black and Spanish areas?

Mr. MALEK. Here again, OMBE was one of the key areas where we felt that we could develop people in the Spanish-speaking and black communities who were qualified and who could submit and qualify substantively for grants of this type who hadn't participated before

¹ See n. 8418.

² See book 13, exhibit 262-7, p. 5542.

because they hadn't had any encouragement. And so, therefore, it was an area where we felt some additional encouragement should be made.

Mr. HAMILTON. My question is: Was it your intention to use OMBE grants to make headway, make an impact in the black community and the Spanish-speaking community in a way that would benefit the President's reelection campaign?

Mr. MALEK. Well, the way you are stating it is not the way I looked at it then.

Mr. HAMILTON. You can answer "no" if I make an incorrect statement.

Mr. MALEK. Well, your statement is not totally out of line, but it is not correct either. The intent was, again, to, as I saw the intent, my intent and what I understood the intent of Mr. Brown and Mr. Marumoto, was to go out into the black and Mexican-American communities and assist those groups who had not had the opportunity to participate in OMBE grants, to familiarize them with the fact that OMBE grants existed and what needed to be done, and to encourage them to apply for OMBE grants, because we felt that there were a lot of people out there who simply did not have the opportunity, due to their own ignorance of the program and their own lack of sophistication, from being able to apply, and yet there were people who were deserving of these kinds of grants under the statute.

And in doing so, and in encouraging them to apply, we obviously felt that this, along with the possible awarding of grants, would—to these people when it occurred—would have political benefits, yes.

Mr. HERSHMAN. Excuse me, Jim, if I may. In line with this question concerning the Office of Minority Business Enterprise, I caught part of a statement you made before, and I just want to clarify it. And that was that some of your subordinates felt that Mr. Jenkins, the Director of OMBE, was acting in a partisan manner. Is that correct, sir?

Mr. MALEK. Yes.

Mr. HERSHMAN. And they felt that this should be corrected?

Mr. MALEK. Right.

Mr. HERSHMAN. And did you agree with this, sir?

Mr. MALEK. I didn't know that he was acting in a partisan manner, but they were convinced of it. If you read further in this memo, because they all felt concerned about it, I thought that what we ought to do was to have one person who understood the substance of the program who could look into this and serve as a liaison. And I talked to Mr. Cole about it, and we agreed that Mr. Evans of the Domestic Council staff could fill that role.

I didn't think it was right for Brown and Marumoto and Jones and Armendariz and company to be all harping on this man Jenkins. And I didn't think it was appropriate for all of them to be going to Jenkins on grant issues. I thought we ought to handle it in the way that we handled other substantive issues, where we have a person on the Domestic Council who works on a particular issue or set of issues who could look into it and provide a more responsible kind of liaison. And that is, in effect, what this memo sets out to do.

Mr. HERSHMAN. However, if Mr. Jenkins was, indeed, acting in a partisan method in allotting grants, I assume that you would have wanted to correct that. Is that correct, sir?

Mr. MALEK. Oh, yes.

Mr. HERSHMAN. And did Mr. Jenkins—

Mr. MALEK. I wouldn't have wanted to correct it. I wasn't in the Government—at this particular time, I guess I was, but it wasn't my function to correct it. I was trying to get it into the proper channel, which was the Domestic Council channel, a policy issue.

Mr. HERSHMAN. And did Mr. Jenkins finally leave the Office of Minority Business Enterprise?

Mr. MALEK. Well, he left, but he left sometime after the election.

Mr. HERSHMAN. And who took his place as Director of that Office, sir? Do you recall?

Mr. MALEK. Yes, Mr. Armendariz.

Mr. HERSHMAN. Mr. Armendariz. All right. Thank you.

Mr. HAMILTON. Mr. Malek, do you know of any incident where any black was provided support in relation to getting a grant, any prominent black, so he could be or become a spokesman for the administration?

Mr. MALEK. Where he was actually given support in return for which he promised his support?

Mr. HAMILTON. Yes.

Mr. MALEK. I know of one instance where a prominent black who was a supporter of the administration was applying for a grant, and I was encouraged, by someone, to expedite that in order that he could have more time to spend in vocalizing his support of the administration. I don't recall that any action was taken in that particular instance, but I do recall that being recommended to me.

Mr. HAMILTON. Who was that?

Mr. MALEK. I don't recall who recommended it, but the grant was for a group. It pertained to an application that James Farmer had submitted. And my recollection of it—I don't recall it precisely, but that he had an application and it had been judged to meet the substantive criteria and that it was a matter of timing of when it would be made. But I don't recall that we took any action on that particular—

Mr. HAMILTON. Mr. Malek, we have two memorandums that relate to that, and let me read these to you, and it may refresh your recollection.

The first is in this briefing paper to Mr. Mitchell, which we have already referred to several times. On page 3 of this briefing paper you suggest as a type of responsiveness activity "Paul Jones wants favorable action on an HEW grant for James Farmer that would enable Farmer to have time to speak in support of the reelection."

And then there is another document, a later document. It is a memorandum dated April 18, 1972, for you from Paul Jones; subject: meeting with James Farmer.

[The document referred to was marked Malek exhibit No. 26.*]

Mr. HAMILTON. Let me give this to you and give one to Senator Ervin, and I would like to read this into the record.

* See p. 8419.

In the Brown-Jones meeting with James Farmer, the following points of interest were discussed: (1) Farmer's willingness to work in support of the President. It was agreed he might better serve at this time by maintaining a non-partisan posture. Jim expects to build on the attitude coming out of Gary. (2) His speaking engagements. He is to send a list of his engagements; we will seek to arrange media interviews in connection with his key appearances. (3) Farmer's interest in funding for his think-tank proposal. He is seeking \$200,000 seed money from HEW. This should be moved on but should allow for a final Brown-Jones checkoff in order to reinforce Farmer's involvement. Additionally, there is some need that the think-tank initially focus on key issues of interest to black voters.

Now, is it your understanding that Mr. Brown and Mr. Jones were given a checkoff or a signoff capacity to reinforce Farmer's involvement?

Mr. MALEK. No, no. I believe this is something that Jim Farmer personally talked to me about before this memo was even written.

Mr. HAMILTON. Is it your understanding that there was a quid pro quo here, that Mr. Farmer's involvement in the campaign was dependent upon this grant?

Mr. MALEK. Absolutely not. My recollection of it is that Farmer was trying to get this organization started, but he was having to spend a great deal of his time in the effort, and he would be able to spend more time speaking once he got the thing underway.

He had talked to me about this, I think, some months prior to this. He is a personal friend from the days when we served together in HEW. And he had come to me because he didn't know anybody else in the White House. And I don't remember what I did. I may have sent him off to someone else who was more directly involved. And that is my major recollection of it, and I don't know what the final disposition of this was.

I do not believe that I took any action or directed anyone else to take any action on it. And I certainly don't feel that Mr. Brown or Mr. Jones should have had a checkoff, and I don't believe they did.

Mr. HAMILTON. Do you think it was proper for Mr. Jones, who was a campaign official, to be involved in the decision on an HEW grant in any way?

Mr. MALEK. No, it was not appropriate for him to be involved. It was appropriate for him to surface the need for him expediting something that—I don't think there is anything inappropriate to advocate something that was in process and make his view known that there was a consideration. But I think the appropriate persons to make the decision on the grant were the program people in HEW, and I assume that they did so. And I don't know whether they decided favorably or unfavorably on it.

Mr. HAMILTON. Did you take any action in regard to this memorandum?

Mr. MALEK. I don't recall taking any action.

Mr. HAMILTON. Did you reprimand Mr. Jones for being involved in the grant-making process?

Mr. MALEK. I don't recall that I did. You are showing me a memo here 2 years old on a kind of a—frankly, what I realize to you at this point is an important point, but which to me, at that point in time, was a rather obscure point, and asking me to recall specific things from it, which is awfully difficult to do.

I may have skimmed this thing and not even known about the Brown-Jones checkoff. I may not have even caught that. I may have just read it and let it go through. I may have read it and registered and thought about following up, or not. I don't recall exactly how I reacted to this specific piece of paper. This is one of probably, you know, 50 or 60 pieces of paper I looked at on that particular day.

Mr. HAMILTON. But it is fair to say, isn't it, that this piece of paper is at least consistent in concept with the concept that is set forth in your memorandum to Mr. Mitchell, the memorandum that ostensibly was sent by you to Mr. Mitchell on the black field plan, where it was suggested—

Mr. MALEK. I don't think there is any relationship at all.

Mr. HAMILTON. Where it was suggested in that memorandum that part of the black field plan was to provide grants to individuals who were supportive of the administration so they could become visible, so they would become visible supporters of the administration.

Mr. MALEK. I don't think there is a relationship. This is an entirely different kind of thing. I don't think it is at all supportive of what is in the memo, this memo that may or may not have gone to Mitchell.

Mr. HAMILTON. Well, I don't want to quibble with you, Mr. Malek, but this memorandum says, "These recipients"—in other words, the recipients of money from the administration—"will be utilized as a source of campaign contributions and volunteers and as a group of highly visible blacks to be used to reach the voters in their areas of influence."

And here they talk about—in the Farmer memorandum, which, incidentally, was even written before this memorandum to Mr. Mitchell—they talked about—

Mr. MALEK. Two months before.

Mr. HAMILTON. Two months before. They talked about "Farmer's interest in funding for his think-tank proposals. This should be moved on but allow for final Brown-Jones checkoff in order to reinforce Farmer's involvement," involvement being his willingness to work in support of the President. Now, it seems to me that it is difficult to say—

Mr. MALEK. But the point is, Farmer already was a supporter of the President. He had served as an Assistant Secretary in the Nixon administration. He kept contact with a number of us in the administration. He had been vocalizing his support of the administration in a low key but effective manner, so this wasn't anything new.

The main thing they wanted to do, as I understand it, was they were hopeful this grant would be made sooner rather than later, so that Mr. Farmer would be freed to spend even more of his time in speaking.

Mr. HAMILTON. Well, if he was already on board, why was it necessary "to allow for a final Brown-Jones checkoff in order to reinforce Farmer's involvement"?

Mr. MALEK. I can't explain the language that Mr. Jones chose for this memo. But I think I probably know Mr. Farmer better than Mr. Jones does, and my very distinct impression was that Mr. Farmer was a supporter of the President throughout the 4-year period.

Mr. HAMILTON. I just have a few more questions on the black area.

Senator ERVIN. Was Farmer at this time a part of the administration, or had he resigned?

Mr. MALEK. He had resigned, Mr. Chairman. He resigned in, I believe it was sometime in 1970.

Senator ERVIN. What was his think-tank proposal?

Mr. MALEK. Well, he has got an operation that is here in Washington, and he has asked me to speak at it, and I haven't been able to but will shortly, that is devoted to—it is devoted to some sort of social research and education for blacks. And it is hard for me to define it much beyond that. I think it is connected with—it might be connected with Howard University.

Mr. FREEDMAN. I believe it is connected with Howard University.

Mr. HAMILTON. Mr. Malek, does the name Charles Wallace mean anything to you? Mr. Wallace is president of Wallace & Wallace Fuel Oils in—

Mr. HERSHMAN. Queens, New York.

Mr. HAMILTON. Queens, New York.

Mr. MALEK. I recall the name of Charles Wallace as a black businessman who I believe was a supporter of the President, but I don't know anything more than that. I don't recall anything more than that.

Mr. HAMILTON. I would like to show you a memorandum from Mr. Jones to you, another weekly activity report, dated July 14, 1972. And the ninth paragraph reads like this:

Through White House contacts initiated new efforts to assist Charles Wallace, president, Wallace and Wallace Fuel Oils, in overcoming present constraints to expand his business. This has for the time being allowed us to assist a staunch Nixon supporter.

Now, do you know what action was taken in this regard?

[The document referred to was marked Malek exhibit No. 27.¹]

Mr. MALEK. No, I don't.

Mr. HAMILTON. Did you know that Mr. Wallace was actively involved in the Presidential campaign, or was to become actively involved?

Mr. MALEK. I may have. I don't recall enough about him at this time to say whether I did or did not.

Mr. HAMILTON. Do you know if he was a Government contractor?

Mr. MALEK. I don't recall.

Mr. HAMILTON. Did you know that he made a solicitation to various minority SBA, 8(a), minority contractors for contributions in support for the President?

Let me ask you if you ever saw this particular document. It is dated September 12, 1972, and it is from Mr. Wallace. In the document I have, the name of the firm is left out, because it would be typed in. It is a form letter.

[The document referred to was marked Malek exhibit No. 28.²]

Mr. MALEK. Well, I don't recall having seen this particular letter before. At the same time, it seems to me that it is—there is nothing inappropriate about the letter itself.

He is simply pointing out there that the 8(a) program is a very good program that has been very helpful to minorities and which has multiplied several times under President Nixon and he thinks that this demonstration of the President's concern for the blacks justifies their

¹ See p. 8420.

² See p. 8423.

supporting the administration voterwise. But I don't recall ever having seen it before.

Mr. HAMILTON. Do you have any indication that Mr. Wallace's campaign activities were the result of the support that had been given him by Mr. Jones and others in overcoming restraints to expand his business?

Mr. MALEK. I just don't recall what his specific activities were and I don't recall what motivated his particular activities.

Mr. HERSHMAN. Are you aware of the fact that 1 month after Mr. Wallace sent out that particular letter you have in your hand now, he received a \$2 million-plus 8(a) contract?

Mr. MALEK. No, I was not aware of that. Look, you say that as though—is there anything wrong with that? Was he not getting 8(a) contracts right along? I was just wondering if that was an unusual sort of thing.

Mr. HERSHMAN. I was just wondering if this support indicated in the weekly activity report directed to you did not involve helping him obtain this \$2 million 8(a) contract?

Mr. MALEK. Well, certainly from my point of view, it didn't. I can't say certainly that no one assisted him in getting this, but I have no recollection of that.

And, further, it might be interesting to look at what the pattern has been. Usually these 8(a) contractors get something each year. It is not just a one-time event and it might be interesting to see if this was out of the ordinary for him or for his firm or a firm of that size.

I really don't know. I am just suggesting you might look at that before you draw any conclusions.

Mr. HERSHMAN. Well perhaps we can jump back for just a second to a Spanish contractor from the Washington area. I believe we discussed him earlier, Mr. J. A. Reyes Associates. Mr. Reyes was mentioned prominently in a number of weekly activity reports, directed from Mr. Marumoto to yourself and Mr. Colson.

Mr. Reyes stated to us in a staff interview that during 1971 he had done between \$400,000 and \$500,000 in business. In 1972, Mr. Reyes became chairman of the Virginia-Washington, D.C., and Maryland Chapter of the National Hispanic Finance Committee which was an authorized arm of the Finance Committee for the Re-Election of the President.

In 1972, his firm's business doubled. All of which was under the 8(a) program. Do you, perhaps, know of any connection between Mr. Reyes' campaign activities and the increase, sudden increase, of his business?

Mr. MALEK. I know of no connection whatsoever. I don't deny that there was a connection. But I certainly don't know of any.

Senator ERVIN. At this time, were you a White House employee?

Mr. MALEK. Well, we're talking about several times here, Mr. Chairman. Up until July 1, I was a White House employee.

Senator ERVIN. What year?

Mr. MALEK. 1972.

Senator ERVIN. And were most of your activities political in nature?

Mr. MALEK. Well, sir, my activities in the White House were primarily related to the overseeing of personnel for the President, which included the recruiting and hiring of people for various Presidential

appointee spots and the handling of the various patronage requests we got. In addition, as a campaign approach, I spent part of my time assisting in a coordinating role with the Re-Elect Committee in overseeing some of the—

Senator ERVIN. The testimony we have received thus far indicates to my mind that many of the White House employees who were being compensated by tax moneys, were primarily engaged in political activities.

Mr. MALEK. Well, I would say from about March 1, until June 30, 1972, I spent, I would estimate anywhere from one-third to 50 percent of my time—or let us say, roughly, 40 percent of my time—on campaign-related activities.

Senator ERVIN. In other words, the evidence we have received, the information we have gotten, is to the effect there was about as much political activity going on in the White House as there was in the Committee To Re-Elect the President.

Mr. MALEK. Well, sir, I don't think there was quite as much. I don't think the budget of the White House was quite as big as the Committee To Re-Elect, but I think it is fair to assume that there were a number of us who spent part of our effort in support of the President's reelection.

I don't think this is particularly unusual, in my own opinion. I don't think it is particularly unfair. The President has a White House staff whom he appoints, who are exempt from the provisions of the Hatch Act, and I think as an election approaches, that generally in the past, as in 1972, many of these people do engage in activities that help support his reelection. That is my own judgment, of course. Yours and others may be different.

Senator ERVIN. My own judgment is that I am an old-fashioned man, I guess, but I think there is something unethical in employing people who are engaged in political activities with taxpayers' funds. There is no use for us to argue about that point.

Mr. MALEK. Yes, sir.

Senator ERVIN. There is another thing. These things indicate to me that the program contemplated that every Federal program, where discretionary grants were involved, that that program should be utilized primarily for political advantage. And secondarily, for any other good effects it might have.

Mr. MALEK. Well, sir, that was not the intent. The intent was simply to be able to respond to the many requests that we got, and the administration receives several hundred requests from the Congress each month, concerning grants, either the expedition or the awarding of grants, and the intent was to not only be responsive to those needs of the Congress for information and for consideration of the information they brought to bear, but to also be in a position to furnish information and consider the information that would come in from the various campaign officials. But the primary consideration in the award of any grant was to be, and to my knowledge has been, the merits of the program. And I think that is the only kind of public policy that is—that should be practiced.

Senator ERVIN. Well, I see many references here in writing in the memorandums prepared by you to the effect that these grants should be

given political priorities in such a way as to most effectively promote the President's reelection.

Mr. MALEK. Well, Mr. Chairman, I think the point that was made in the few memos that I have actually signed here, has been that the political factors should be one of those considered, not to the exclusion of others, but certainly it should be one of those considered.

I would have to say, Senator, that in almost any grant that is made in the Government, the political factor is considered in some way or another. I don't think there is a Congressman or a Senator who doesn't have an interest in a grant that is made and who isn't in there fighting for his constituents to get a particular grant. That is a political factor. That is considered.

Senator ERVIN. I would say that these papers indicate that the political consequences of them were given priority, and I would think that under this program, if you had two groups seeking the same grant, both of them are equally qualified, that under these things, that the one that was conducive to the reelection of the President would have been the one that would have gotten it and the others would have been proscribed.

Mr. MALEK. Well, sir, if you had two grants that were equally well qualified, I think you are right. I think a tendency would be to provide a grant to the one favorable to the President. But as long as they are equally qualified, I don't see a problem in that. I would imagine you would like to see your friends get their share of the grants as long as they are equally qualified, as well.

Senator ERVIN. I don't think that I have ever considered the political consequences of any grant I have ever sought. I have never inquired as to the political affiliation.

Mr. DASH. I think, according to the memos that I saw, one of them, even if they weren't equally qualified. The memorandums indicate that when the contracts would not otherwise be granted, at the request of Gifford, the grants were made, and that would have a political impact. It wouldn't otherwise have been granted, but for the request.

Mr. MALEK. However, what you have got to take into account is that when a Member of Congress, and most of these requests referred to when we were talking about those Commerce grants and the different ones involved—most of those requests came from the Congress.

They don't just come in and say, "I want this grant." They come in and make a case, and when making such a case, they often present information that someone hadn't considered. They do a second thing, they also insure that a higher level of attention is going to be given to the particular grant so that instead of a GS-12 or GS-13 making a decision, you have got somebody at a higher level looking into it. Now, the advent of further information and the higher level attention, can oftentimes and will oftentimes change the priorities that have been arranged by the staff.

Mr. DASH. But in the plan, the overall plans, and then the followup, more detailed memos given in the plan, they are memos with your name on it, from particular individuals or reports to you, I don't see them primarily concerned with requests from Members of Congress.

It seems to be clearly demonstrated as a plan on how to use the incumbency and the power of the incumbency to be responsive to the

political things in the administration. And that these memos don't deal with the response to the requests of Congress; they deal with the need of identifying those grantees who would be friends of the administration and to support them.

Mr. MALEK. Well, there was, very certainly, an effort, particularly in the minority communities, to identify grantees, potential grantees, who had not had the opportunity to participate and to bring them into the mainstream of economic life. But, at the same time, if you look at the report that I prepared, the one example that we have which lists, I think, about a dozen particular projects that we reported out, a number of those were generated from the Congress, a number generated from local elected officials, and really not that many generated by the campaign organization.

In fact, one of the reasons that the program—I don't know if you were here when we talked about it earlier, but as I stated earlier, it didn't occupy much of my time and, in fact, I believe it was scrapped shortly after my departure from the White House—was that there really weren't that many requests that would come in. And, when requests did come in, oftentimes the considerations on the grant were so complex that the political factor that would be conveyed by the particular request, would not be commanding and, therefore, it did not have a high utility.

Mr. HERSHMAN. I would like to bring two points forward which I gleaned from the public testimony of Mr. Marumoto, the former staff assistant of the President. It seems to me that Mr. Marumoto's concept of this Responsiveness Program differs in some ways from yours.

The first point I would like to bring out—and this is under the questioning by Mr. Dash:

Mr. DASH. If one of the contenders for a grant was more qualified than the other, although the other was not wholly unqualified—I think you mentioned if a person was completely unqualified, the agency would report that to you and you would not press for a grant. But, if there was a question of—if one contractor who was not supportive of the administration was more qualified than another who was supportive, the preference would be given to the one that was supportive?

Mr. MARUMOTO. Yes, but I think that was an exceptional situation.

Mr. DASH. Why don't you give the page reference, for the record?

Mr. HERSHMAN. That's page 5287.

Mr. MALEK. I read that in the testimony over the weekend. You are correct that his interpretation of the intent of his approach differs from mine.

Mr. HERSHMAN. Well, I would like to get your comment concerning his testimony, coming in on page 5318 and 5319, and this is during questioning by Hon. Senator Talmadge:

Senator TALMADGE. What was the responsiveness group?

Mr. MARUMOTO. As I explained this morning, this was a group of four or five gentlemen who initially were under the leadership of Mr. Malek and later under the leadership of Dan Kingsley, who were responsible to and working with various interest groups under Mr. Colson's operation as well as our personnel operation to make sure that various departments and agencies were responsive to requests that went to them from the White House on personnel matters, publicity, public relations, and grants and contracts.

Senator TALMADGE. To simplify it, it was a group to take maximum political advantage of public dollars that were awarded in the form of public grants and contracts, was it not?

Mr. MARUMOTO. A system to facilitate some of our requests.

Senator TALMADGE. Facilitate? What do you mean by that?

Mr. MARUMOTO. Try to get through the bureaucratic redtape.

Senator TALMADGE. In other words, my statement is correct. It was to maximize the advantage of the American taxpayers' dollars in a political effort, was it not?

Mr. MARUMOTO. Yes.

Would you comment on that?

Mr. MALEK. Well, let me find it in here.

Mr. HERSHMAN. Perhaps your page numbers differ.

Mr. DASH. You probably have the transcript instead of the printed—

Mr. MALEK. Well, I just differ with Mr. Marumoto's interpretation. I did not feel it was an effort to maximize the advantage of the taxpayers' dollars in a political effort. Not at all. I have expressed my view of what it was several times, and I don't know that it serves anybody's interests to keep repeating that.

Mr. HERSHMAN. I understand that.

Mr. MALEK. I don't see it the same way as Mr. Marumoto does and perhaps it is my fault that he interpreted it the way he did, but I would also point out that he has also testified in the same testimony to a question by Mr. Dash, that he reported to Mr. Colson. He reported to me for recruiting matters and for the Spanish-speaking efforts. He reported to Mr. Colson and perhaps he received different interpretations from different people, but my interpretation has always been as I stated it.

Mr. HERSHMAN. Well, it seems to me that the documentary, these weekly activity reports and the memos and whatnot, seem to indicate that not only does Mr. Marumoto have a different interpretation of the Responsiveness Program than you, but quite a few other staff members.

Mr. MALEK. Who?

Mr. HERSHMAN. Well, for example, Mr. Brown, Mr. Jones, Mr. Armendariz—

Mr. MALEK. Now, Mr. Brown did not report to me. He did not work for me. Mr. Brown kind of ran his own show. He in no way reported to me.

Mr. HERSHMAN. Let's take, for example, Mr. Clarke, who sent you a memo concerning the black vote field plan. Can you enlighten us, please, as to why perhaps these people had such conflicting ideas of the Responsiveness Program? Was there an intervening force in here? Was there someone else responsible for the Responsiveness Program?

Mr. MALEK. So far, you really haven't identified anyone who really worked directly for me who had a differing view. You stated Mr. Clarke, but you can't support that Mr. Clarke—he prepared that cover memo to me which does not get into responsiveness. You mention Mr. Marumoto, but he reported duly to Mr. Colson. He reported to Mr. Colson for the Spanish-speaking campaign activities.

Mr. HERSHMAN. He did send memos of his activities to you.

Mr. MALEK. He sent memos to both me and Mr. Colson because they covered both recruiting activities and they covered also campaign activities. Now, what I am telling you is my interpretation of what I intended and if it was not communicated effectively, if my intentions were not communicated effectively, then it is conceivable that it could have—

Mr. HAMILTON. Off the record a second.

[Discussion off the record.]

Mr. HERSHMAN. Were you aware that they weren't communicated properly?

Mr. MALEK. At the time, I wasn't aware that they weren't communicated properly; no.

Mr. HERSHMAN. When did you first learn that they weren't communicated properly?

Mr. MALEK. I haven't learned that yet. You're putting words in my mouth. I said "conceivably" they weren't communicated. I have also pointed out to you that you have not named a member of my own staff, anybody that worked for me, that had a misinterpretation. You named Mr. Brown, who did not work for me. You named Mr. Marumoto, who worked for Mr. Colson on most of these activities. You named Mr. Clarke, but I see nothing in anything you have shown me that would demonstrate that Mr. Clarke had a misunderstanding at that time.

And, after I left the White House on July 1, Mr. Clarke no longer worked for us. I think we are getting into kind of a nebulous area of what was my intention and what did I want, and if you want to continue in that vein, I guess we can, but I don't see how it is going to be productive.

Mr. HERSHMAN. I would just like to know, in view of these memos, some of which you have identified—I cannot understand why you did not come to realize that perhaps some of these other people's views of the Responsiveness Program was not jelling with yours.

Mr. MALEK. Have you ever worked in a campaign? Have you ever run a campaign?

Mr. HERSHMAN. No.

Mr. MALEK. It's a pretty tough job, particularly when you are starting from scratch and you have to build a field organization in 2 months and get a million volunteers and 2,000 storefronts, and a computerized system for following up on them. You have got to hire 10 regional directors; you have got to get 50 State chairmen mobilized with their staffs; you have got to put together a program to give to them; you have got to put together a speaker's program; to go out and knock on doors; to get publicity; to get out the vote effort.

It is not an easy mission. It is one of the toughest things I have ever had to do and it was the cornerstone of the Nixon campaign from July the 1st until November 7. I spent virtually all of my time doing just that, building from nothing—a damn strong grassroots campaign organization—a very demanding thing.

I wasn't too concerned about what—about reading informational memos on weekly activities which were basically pump pieces by members of the staff to show that they were busy. In fact, most of these information memos that I got went to Mr. Herringer, who reviewed them and on occasion would pass something on, but it was not the cornerstone of my activity and I was not concerned about it and I certainly didn't think the Responsiveness Program, or whatever you want to call it, was worthy of any attention once I went over to the campaign.

Mr. HERSHMAN. Well, In viewing these memos, it seems to me that a good portion of the campaign—

Mr. MALEK. What you are trying to do is to attribute things to me from memos that were sent to me that I don't even know ever got to me, let alone were read by me.

Mr. HERSHMAN. Well, it seems to me that a good portion of the campaign was related to politicizing the executive branch.

Mr. MALEK. Oh, baloney.

Mr. HERSHMAN. Or capitalizing on the incumbency.

Mr. MALEK. That's a minor part of the campaign, a very minor part. And in my estimation, a tremendously unimportant part of the campaign. My effort in the campaign, the main effort I ran, if you read Teddy White's book, he spells it out, was building a strong grassroots organization to out-McGovern McGovern, to beat the organization that they put together in the field.

Now, whether we did or not, somebody else will have to judge, but that's what we tried to do. We wanted to get out our voters. We didn't want them sitting home on election day. That, to me, was 90 percent of the campaign from my point of view, what I worked on. The other big part of the campaign was the issues and the President's position on the issues.

Mr. HAMILTON. Dick?

Mr. SCHULTZ. Let me ask a couple of specific things. I take it from your testimony that it was a policy of the administration to put contracts and grants in the hands of a minority for the purpose of increasing their share of the business activity?

Mr. MALEK. That is correct.

Mr. SCHULTZ. And isn't this policy supported by official regulation? The statutory basis of the Economic Opportunity Act?

Mr. MALEK. Yes, it is.

Mr. SCHULTZ. Do you have any knowledge that any firms not qualified were awarded contracts, or grants?

Mr. MALEK. No, I have no knowledge that any nonqualified firms were awarded contracts or grants. As a matter of fact, it is my understanding, in talking to the administrators of various programs, that exactly the opposite is true. That all grants and contracts that were made have been made to people who qualify under the criteria spelled out by legislation.

Mr. SCHULTZ. Well, do you have knowledge or did you solicit—did anybody who worked for you—solicit from people who were not qualified, requests for grants or contracts?

Mr. MALEK. Not to my knowledge. It is conceivable that they suggested people who ultimately turned out to be not qualified, that they apply for grants, but there was no way of telling at that point until they actually got down to submitting the applications.

Mr. SCHULTZ. In your capacity with the Government, have you had occasion to observe any practice whereby the Senators or Representatives make public announcements that grants and awards were given to persons or firms within their districts?

Mr. MALEK. Yes, it is a very common practice for Senators and Congressmen to announce grants and contracts that are made in their States and districts.

Mr. SCHULTZ. Was this Responsiveness Program any different than utilizing awards and grants for a similar-type purpose? In other

words, gaining some measure of recognition for the jobs that were done?

Mr. MALEK. That, in fact, was the main purpose of the Responsiveness Program. And the analogy to the procedures used with Members of Congress is one that I have tried to draw forth, apparently unsuccessfully, earlier in my testimony.

Mr. SCHULTZ. I know you have testified that the ultimate writeoff, or the ultimate approval for grants, awards, contracts, whatever, was with the specific department. Did you, or to your knowledge did anyone on your staff, change or stop an award from being granted, so far as you know, for political reasons?

Mr. MALEK. I do not know of any such thing happening due to my, or a member of my staff's, intervention. I do know of instances where a Member of Congress has intervened and asked for reconsideration, and out of courtesy to a Member of Congress or because of the information he or she has brought to bear, this has been done. But I know of no change in actions that have been brought about by me or a member of my staff's intervention.

Mr. SCHULTZ. You have no prerogative to overrule an award, or a decision by any department?

Mr. MALEK. No, no. I did not.

Mr. SCHULTZ. I know you can't be held accountable for any excesses or misunderstandings of people you work with, or perhaps that reported to you, but did you ever become aware prior to the election, that there were excesses or demands or a quid pro quo asked for by the individuals who worked for you? I'm talking now with regard to the awarding of grants, contracts, for votes.

Mr. MALEK. I do not recall being aware of any awarding of grants or contracts in return for votes or contributions.

Mr. SCHULTZ. I have no further questions.

Mr. HAMILTON. I would like to move on because I think we know your views on this particular area.

Mr. MALEK. OK.

Mr. HAMILTON. You know what the memorandums which we have shown you say and I don't think it serves any purpose right now to argue further about the memorandums' meaning.

We were talking before, right before Senator Weicker had to leave, about the activities of the Cabinet Committee on Opportunity for Spanish-Speaking People, and I think I asked you if the Cabinet committee was engaged in any campaign activities, with the exception of its Chairman Ramirez. Do you know if Mr. Ramirez' staff members were engaged in campaign activity?

Mr. MALEK. I don't recall that any of them were, Mr. Hamilton, although it is conceivable they were. I just don't recall. I do—as you refresh my memory—recall Ms. Lozano was in some way assisting in some of the White House efforts and I believe she later joined the Committee To Re-Elect, but I don't recall any other instances.

Mr. HAMILTON. Well, there is the memorandum from you to Mr. Conde dated June 5, 1972,* which indicates, paragraph 2—numbered

*Previously entered during testimony of William H. Marumoto. See book 13, exhibit 262-22, p. 5593.

paragraph 2, on the first page—I will read it:

If Alex—

and I take it that is Alex Armendariz—

wants to add a research person to his staff, he will have to make the case to me. Basically, I question a long-term need in view of the fact that we have centralized research and advertising at the Committee and because a Spanish-speaking consultant is being added to the advertising group. If, however, Alex can still demonstrate the need for Ms. Lozano's help, we can arrange for her to remain at the Cabinet Committee but spend part of her time supporting our activities.

That is the end of the quote.

In view of the provisions of the Hatch Act, which I understand cover the Cabinet committee, do you think it was proper for Ms. Lozano to remain at the Cabinet committee but spend a part of her time—

Mr. MALEK. If she in fact is Hatched, as I mentioned earlier—you may have established, I, to this day, do not know whether she is Hatched—

Mr. HAMILTON. You don't know whether the Cabinet committee was Hatched?

Mr. MALEK. Well, I would assume that many employees of the Cabinet committee were Hatched, but there could also be some that were not Hatched. I am not an attorney, but there are certain positions in a department that are not subject to the Hatch Act. And I do not know whether Ms. Lozano was Hatched or not. I assume she was not Hatched because she was working in support of some White House activities. That was established in the earlier memo on her that you showed me and I had heard her name before as helping in some of this PR research-related stuff and I assumed she was not Hatched. I do not believe I ever really gave it that much thought that she was. Do you know that she was Hatched?

Mr. HAMILTON. It is our understanding that she was Hatched.

Mr. HERSHMAN. Let me, for the record, clarify that. All members of the Cabinet Committee on Spanish-Speaking Opportunities were—or fell under the provisions of the Hatch Act.

Mr. MALEK. Even the chairman?

Mr. HERSHMAN. The chairman was questionable until 1973 when it was decided that yes, he, too, fell under the provisions.

Mr. MALEK. OK.

Mr. HAMILTON. Do you know any Government employees who were covered by the Hatch Act who participated in the campaign activities?

Mr. MALEK. Well—

Mr. HAMILTON. I think, to be fair with you, we ought to let you know what the statute says, and the provision of the Hatch Act that applies is section 7324(a)(2) of title 5, which says that "Hatched employees shall not take an active part in political management or in political campaigns."

Do you know of any Government employees who were Hatched that took an active part in the campaign?

Mr. MALEK. Well, I think there were some that worked as advance men, but I believe they took a leave of absence from their positions while they did so in order to avoid that complication. There may have

also been a couple of instances where we were bringing people from the Government over to the Committee To Re-Elect, and there might have been—I'm just speculating—there may have been a period when they were working on campaign activities before they actually got off the Government payroll. If you have any specific ones you want to ask me about, I can respond, but offhand, I don't recall any instance.

Mr. HAMILTON. You don't recall any names? Do you recall any names of the advance men for surrogates?

Mr. MALEK. No.

Mr. HAMILTON. Do you recall that—I believe in early 1972 there was a meeting in the White House—early 1972, late 1971—there was a meeting in the White House for approximately 100 people from the various agencies to train them to be advance men.

Mr. MALEK. Yes. I heard something about that. Yes, I did know that there was that, but these were people from the agencies as well as people from the private sector we had identified as having a capacity to serve as advance men.

Mr. HAMILTON. Do you know if those agency persons were actually used as advance men for the surrogates, when the surrogates were out making political speeches?

Mr. MALEK. I don't know for sure, but I believe some of them were. But my understanding was, when they acted in a political capacity, they took leave from the agencies of which they were a part.

Mr. HAMILTON. You mean, if they went out for one or two trips, they would take leave for the day, or what?

Mr. MALEK. I think that's what they did. Also, it is conceivable that many of these people were in schedule C jobs, and weren't Hatched. My understanding was that the people who took part in this activity were not subject to the Hatch Act, and those that were took leave from the Government while they served in that capacity. We wanted to be careful about that, so as not to jeopardize employees and not break the law, and it is conceivable that it did not hold every time. But I don't recall any specific instances where there were violations.

Mr. HAMILTON. Who is Frank Troy?

Mr. MALEK. I don't recall.

Mr. HAMILTON. Let me show you a memorandum dated June 30, 1972. It is written by a Bud Evans, L. J. Evans. It is written to Mr. Colson. If you look on page 4, in pencil or in pen, it shows a copy to you, and looking at paragraph 19, which is also on page 4, the following paragraph appears:

Frank Troy will be brought on board on July 5, to act as Flemming's scheduling advance man from now until the election. Flemming is still not completely on board on this one, but did agree to Troy's hiring. Malek has been very helpful in getting HEW to pick up the tab.

Could you explain the circumstances on that?

[The document referred to was marked Malek exhibit No. 29.*]

Mr. MALEK. Flemming was chairman of the White House Council on Aging, and I don't know at this time if he was made Commissioner of Aging or not. Does anybody happen to know?

* See p. 8427.

Well, in any case, much of the staff of the White House Council on Aging, it was my understanding, was being picked up by HEW. It was basically an HEW program, so it was not unusual to have members of Flemming's staff paid for by HEW. The problem here was that Flemming was moving around doing an awful lot of speaking on the problems of the elderly. We felt that it was very, very useful for him to be doing such, because he was an excellent representative for the President in speaking to the elderly.

Now, the speeches he was engaging in were, for the most part, substantive speeches. He was not going to political rallies or making political speeches. Obviously, however, at the same time, in things he did, it was helpful to the President politically. There was a concern on the part of Mr. Evans and others, however, that Flemming's scheduling was rather haphazard, and that the arrangements for his trips were not being prepared sufficiently in advance. And therefore, I don't know who exactly found this man Troy, but someone found this man Troy who could fill this role, and one of my people asked HEW to cooperate in providing an extra spot on his staff for him.

Now, Mr. Troy, acting in the capacity as an advance man for non-political speeches, need not have been subject, I don't think, would have been—he could have been subject to the Hatch Act, but he would not be in violation of the Hatch Act, any more than an advance man for a Cabinet officer going out to make a subjective speech would be in violation of the Hatch Act.

Mr. HAMILTON. I want to make sure that we are on the same wavelength. Is this Harry Flemming we are talking about?

Mr. MALEK. No, this is his father, who is Dr. Arthur Flemming, who, in the Eisenhower administration, was Chairman of the Civil Service Commission, and later Secretary of HEW, and then became president of McAlester College, I believe it was, prior to coming back to head up this conference on the aging.

Mr. HAMILTON. Well, was Harry Flemming at this time at the campaign committee?

Mr. MALEK. Yes.

Mr. HAMILTON. You are sure that Mr. Troy was not acting as an advance man for Harry Flemming? It was for his father?

Mr. MALEK. Oh, yes. We wouldn't have an advance man for Harry Flemming. He wasn't out speaking. This is for Arthur Flemming.

Mr. HAMILTON. OK. I'm about through, Mr. Malek.

Mr. MALEK. I am, too.

Mr. HAMILTON. When you went to the Committee To Re-Elect the President, I believe around July 1, 1972, who took over the Responsiveness Program?

Mr. MALEK. Dan Kingsley.

Mr. HAMILTON. After that date, did you have an occasion to see a second progress report on the Responsiveness Program, signed by Mr. Kingsley, sent to Mr. Haldeman?

Mr. MALEK. Yes, yes.

Mr. HAMILTON. Do you remember when this was?

Mr. MALEK. No, I don't remember, but Mr. Herring has an affidavit, I believe, that addresses it.

Mr. HAMILTON. Do you remember any of the details of this report?

Mr. MALEK. I recall—you see, after I went over to the committee, I really didn't think that there would be much followthrough, because you heard that Kingsley just took over my responsibilities. I learned on June 30 that I was going to start on July 1, and I started with a bang and didn't really look back. I just asked Kingsley to take everything over, so I wasn't really aware of what was happening.

Then a progress report came to me from Frank Herringer. Frank Herringer was a screen of all of the memos that came to me, and in fact cut off a number of them, which in fact goes back to the point I made earlier about some of these voter bloc memos. This one, however, he forwarded, and he made some notation on it, or a cover blurb, I don't remember which, as it just really didn't seem worthwhile, and probably ought to be killed. And I recommended the same to Mr. Haldeman, and I believe they decided to terminate the program at that time.

Mr. HAMILTON. Was it Mr. Herringer's point that he was disturbed by the descriptions in the report of some of the individual actions that had supposedly occurred in the responsiveness project? I'm looking at page 2 of his affidavit, which we have a copy of here. Do you have that with you?

[The document referred to was marked Malek exhibit No. 30.*]

Mr. MALEK. I guess that, apparently, he was, as he states, concerned that some of the exaggerated tone could cause someone not familiar with the general staff practice of exaggerated writing to think that inappropriate activities were being carried on. I gather that, since that is his affidavit, that that is what concerned him. My reaction, though, was a little bit different than his. When I got it, I didn't realize it was still going on. I thought it was rather stupid to be carrying it on, because of the fact that it could be subject to misinterpretation, and that at that point in time both Mr. MacGregor and I, on direct orders from the President, were extremely sensitive to anything in the whole campaign that had even the look of impropriety or lack of ethics, and we were trying to root anything like that out. And I felt that this, if it came to light, could give that appearance. That was my major concern, and I do believe I recommended to Mr. Haldeman that the project be discontinued.

Mr. HAMILTON. Would it be fair to say that, since the Watergate incident had come to the fore, that you wanted to make sure that the campaign appeared clean?

Mr. MALEK. I think it would be fair to say that the Watergate incident highlighted, for many of us, the point that the campaign was subject to abuse by people on down the line who were being a little bit overzealous, and that it was our responsibility, as well as, I think, to our political benefit, to insure that nothing of this sort went on in the campaign. And we made, really, a considerable effort from that period of July 1 on to insure that offcolor things, or off-key things, or anything that would be interpreted in that way were not carried out. I'm not saying that there was nothing done from July 1 on that somebody couldn't judge to be inappropriate. But to the extent that we could, we looked for these kinds of things and rooted them out. And this was.

* See p. 8434.

in my estimation, something that belonged in that category. It was not doing anybody that much good. It was subject to a lot of misinterpretation, and I did not think it was in anyone's best interest for it to continue.

Mr. HAMILTON. I believe you said Mr. Haldeman concurred in the—

Mr. MALEK. That is my recollection.

Mr. HAMILTON. Do you remember what reasons he gave you for his concurrence?

Mr. MALEK. I don't even know if he passed on anything to me.

Mr. HAMILTON. Then did you inform Mr. Kingsley of this decision?

Mr. MALEK. I don't recall whether I did, or whether it came directly from Haldeman, or how it came down.

Mr. HAMILTON. Are you aware that Mr. Kingsley subsequently collected all of the responsiveness documents he could find, and burned them?

Mr. MALEK. I'm aware of it from the affidavit that his secretary collected materials. I wasn't aware of what he did with them.

Mr. HAMILTON. Now, Mr. Malek, you are not a lawyer, but I would like to ask you if you think that any of the conduct that took place in connection with the Responsiveness Program, or took place in connection with the activities in the Spanish area or the black area that we have discussed, was illegal, either violating civil law or the criminal law?

Mr. MALEK. I can categorically state that there was never any intent of anything illegal to be done. It is my opinion—not being a lawyer, as I say. I cannot be definitive—it is my opinion, to the best of my knowledge, that there was nothing illegal done in either the black, the Spanish-speaking, or other elements of the campaign related to responsiveness.

Mr. HAMILTON. The Hatch Act, section 7324(a)(1) of title 5, a different provision than we have previously discussed, provides that an employee in an executive agency may not use his—and I'm quoting now—"may not use his official authority or influence for the purpose of interfering with or affecting the result of an election." Do you think there was any conduct that violated this provision?

Mr. MALEK. Not to my knowledge.

Mr. HERSHMAN. Was that a direct quote, Jim?

Mr. HAMILTON. Well, the quote starts with "use," but the "may not" is also a direct quote.

Mr. SCHULTZ. "May" is usually permissive. It says "may"; it doesn't say "shall not."

Mr. HAMILTON. I believe the word is "may." I was fairly careful when I took it out. Now, the various provisions of the civil service laws, and specifically section 4.2 of Executive Order No. 10577, which was issued pursuant to 5 U.S.C. 3301, provide that—and now I am quoting—

No discrimination shall be exercised, threatened, or promised by any person in the Executive Branch of the Federal Government against, or in favor of, any employee in the competitive service, or any eligible or applicant for a position in the competitive service, because of his political affiliation, except as may be authorized by law.

Do you think this provision was contravened by any of the policies of the White House personnel office?

Mr. MALEK. Could I read that?

Mr. HAMILTON. Sure. It is in quotes.

Mr. MALEK. This is for career positions?

Mr. HAMILTON. That is for career positions.

Mr. MALEK. I cannot say that no agency of the Government did this, because I have no way of knowing. But it was not the policy of my office, or my policy, that that be done.

Mr. HAMILTON. Title 18, section 595 of the United States Code, makes it criminal for:

A person employed in any administrative position by the United States in connection with any activity which is financed, in whole or in part, by loans or grants by the United States, to use his official authority for the purpose of interfering with or affecting the nomination or election of any candidate for the Office of the President.

Mr. MALEK. Could I see that, also? [Pause.] What is your question on that? This is hard for me to interpret, because it says it's illegal for anyone employed, really, by the U.S. Government.

Mr. HAMILTON. In connection with the granting of loans or grants.

Mr. MALEK. It's not all employees of the Government?

Mr. HAMILTON. No, no. Anybody employed in connection with the administration of loans and grants to use his official capacity for the—

Mr. MALEK. I see. These are the people that make the grant decisions, in other words?

Mr. HAMILTON. That's right. Do you think any activity that was carried out under the plan to capitalize on the incumbency violated this provision?

Mr. MALEK. Well, I do not know of any, and I would hope that it was not, but I think you have to remember that, in the position that I was in, that I was not dealing directly with the departments or agencies, and that my staff was really only serving as a conduit for grant information requests and suggestions. So that it is very conceivable that I did not have my finger on what was going on in every agency of the Government.

Mr. HAMILTON. You are not a lawyer, but would it be your opinion that the shifting of grants and loans to target groups and target areas to aid in the President's reelection would be violative of the statute?

Mr. MALEK. If it was a real shifting from something that would otherwise be funded, yes. But if it was—if the grants were being awarded on a competitive basis, with fair and adequate consideration to all of the competing utilizations of the money, then that is not in violation, in my layman's opinion.

Mr. HAMILTON. Section 611 of title 18 makes it criminal—

Mr. MALEK. Are my opinions really useful to you on—

Mr. HAMILTON. We are not going to take them as final statements of the law.

Mr. MALEK. Shucks.

Mr. HAMILTON. My questions are whether or not you think that any activity carried out under the responsiveness heading, or under the broad plans to utilize the incumbency to reelect the President were

violative, in your opinion, of any of the provisions that I'm now reading to you, and I am frankly interested in your opinion as to legality of this conduct.

Mr. MALEK. I am flattered.

Mr. HAMILTON. Section 611 of title 18 provides that, in essence, that it is illegal to solicit a campaign contribution from an individual with a Government contract, and it is also illegal for someone who has a Government contract to make a campaign contribution. I'm talking now about an individual who has a Government contract. Do you think any of the activities, specifically the activities of the black group, were violative of this particular provision?

Mr. MALEK. Well, for example, if a corporation which has a large Government contract, and its chief executive officer, who might own 5 percent of the stock, makes a contribution, are you telling me that is a violation?

Mr. HAMILTON. No, I'm not. I think the contract should have to be with a specific individual. Do you know of any such circumstances?

Mr. MALEK. I don't know of any activities which would have violated that particular provision.

Mr. HAMILTON. Title 18, in section 1505, makes it criminal to corruptly influence, obstruct, or impede, or endeavor to influence, obstruct, or impede the due and proper administration of the law under which the proceeding is being had before a department or agency of the United States—in other words, influencing or endeavoring to influence a regulatory administrative proceeding. Do you know of any conduct taken in connection with the Responsiveness Program that would violate that provision?

Mr. MALEK. No, I do not know of any violation of that provision through the Responsiveness Program.

Mr. HAMILTON. Finally, Mr. Malek, section 371 of title 18, the United States Code, makes it illegal and makes it a felony to conspire to defraud the United States; and defraud the United States, as that term has been interpreted by the Supreme Court, means a conspiracy to interfere with the lawful functioning of Government. Do you think any of the activity carried out in the Responsiveness Program interfered with the lawful functioning of Government?

Mr. MALEK. No, I do not.

Mr. HAMILTON. I am through. Does anyone else have any questions?

Mr. FREEDMAN. I have several questions.

Were you aware of any research in the White House to determine the use of Government resources in past administrations for campaign purposes?

Mr. MALEK. I had heard that some research, that someone had looked into that, but just very vaguely.

Mr. FREEDMAN. Do you remember the results?

Mr. MALEK. No; well, I remember that it was rather accepted knowledge around the White House that prior administrations had used the incumbency to their advantage in reelection.

Mr. FREEDMAN. Was there any suggestions that they had devised programs similar to the Responsiveness Program?

Mr. MALEK. Yes; it was my belief that there had been similar types of operations.

Mr. FREEDMAN. All right. Getting into the personnel area.

Mr. MALEK. And to extrapolate on it for just a minute, really, again the Responsiveness Program was simply an extrapolation of what goes on all the time through the Congress, anyhow, of responding to their needs, and of considering the information they bring to bear.

Mr. FREEDMAN. OK. In the personnel area, was anyone in the Civil Service Commission consulted on the activities of the White House personnel organization?

Mr. MALEK. Oh, yes. I believe I consulted with Mr. Hampton, Chairman of the Civil Service Commission, on a lot of things.

Mr. FREEDMAN. Was Chairman Hampton aware of your referral program?

Mr. MALEK. Yes, I believe he was.

Mr. FREEDMAN. I am still unclear on two things, on two people's roles, Mr. Flemming and Mr. Dent. Could you give me a brief description of their roles from early 1971 through the campaign?

Mr. MALEK. Well, I don't really understand all of the things, what Mr. Dent's role was. He was kind of a political adviser to the President, and did a lot of speaking down in the South, kind of sensed the mood of the people in the South, and advised the President on political matters generally. That is about as aware as I am of his specific activities.

Mr. FREEDMAN. Did that function occur for the 2-year period, a 3-year period?

Mr. MALEK. I suppose. I guess he started with the beginning of the administration. I think he was there for the whole 4 years. Mr. Flemming—this is in the period now, 1971?

Mr. FREEDMAN. [Nods in the affirmative.]

Mr. MALEK. He was in private enterprise. I think he left in January of 1971, and went into private business until he came back into the campaign organization, and he worked under John Mitchell. It was his responsibility for organizing the field activities, the State organizations. And then later, that was divided into, I think, four geographic areas under Mr. Mitchell, with Mr. Flemming responsible for the Northeast, and then, around July 3, after Mr. Magruder and I came to the committee, he was reassigned to do some special political analysis of various States, and we reallocated the various field responsibilities among 10 regional directors.

Mr. FREEDMAN. You mentioned a number of times that polls were taken. Were these for the campaign?

Mr. MALEK. Yes.

Mr. FREEDMAN. And on whose budget were they paid from?

Mr. MALEK. The campaign.

Mr. FREEDMAN. You brought a number of documents with you today. Do any of those documents reflect information that we have not discussed to this point?

Mr. MALEK. I don't think so. I think your information far surpasses mine.

Mr. HAMILTON. I think a better way to put that—

Mr. MALEK. Well, I've got some information here on examples of congressional intercessions in the grant process, which you may not have.

Mr. HAMILTON. I think a better way to ask that question, Mr. Malek, is, do you have any additional documents which relate to the Responsiveness Program, and were covered by the subpoena that was served on you that you have not turned over to us?

Mr. MALEK. No, I do not.

Mr. HAMILTON. OK.

Mr. FREEDMAN. Was Chairman Hampton aware of the August 30, 1971, form?

Mr. MALEK. I don't know whether he was or not. Probably not.

Mr. FREEDMAN. OK. Was there a group within the White House that would advise on the determination of whether the candidate was to receive a high political rating, such as a must placement?

Mr. MALEK. Well, it would typically rely on the congressional liaison staff, either Mr. MacGregor or Mr. Timmons, to make that determination, since most of the requests were coming from the Congress. If they came from a State or local elected official, I believe we would get the opinion of the Office of Intergovernmental Relations, who dealt on a regular basis with these people, because it is very difficult sometimes to differentiate between somebody who did have extremely high priority to a Member of Congress, and those who didn't. And we would rely on their guidance.

Mr. FREEDMAN. Was there a similar group who would pass judgments on grants?

Mr. MALEK. No, not to my knowledge.

Mr. FREEDMAN. I have no further questions.

Mr. HERSHMAN. Just one. Are you aware of any instance of White House staff personnel receiving cash funds from Government contractors or grantees, or people receiving loans from the Federal Government?

Mr. MALEK. None, none that I am aware of.

Mr. HERSHMAN. That's all.

Mr. HAMILTON. Dick?

Mr. SCHULTZ. I have nothing further.

Mr. HAMILTON. All right. I think we are through. Thank you very much.

[Whereupon, at 5:20 p.m., the hearing in the above-entitled matter adjourned.]

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MALEK EXHIBIT NO. 1

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

CONFIDENTIAL

January 28, 1972

MEMORANDUM FOR:

H. R. HALDEMAN

FROM:

FRED MALEK

SUBJECT:

My Role in Support of Re-Election

Attached is a concept paper outlining and evaluating the alternative roles I could assume to render maximum support to the re-election efforts. I will look forward to discussing it with you.

Attachment

EYES ONLY - CONFIDENTIAL

CONCEPT PAPER ON ALTERNATIVE ROLES

As I see it at this point there are three alternative ways I can contribute over the next 10 months. The purpose of this memo is to lay out and evaluate these three options. I would be happy to undertake ~~any~~ one of the three and feel the decision should be made by you and John Mitchell or the President.

As you know, John Mitchell has asked me to join the Campaign Organization as his deputy for supervising the Citizens and Voting Bloc operations. My proposed responsibility would also include providing him with a continuing management audit to evaluate performance and spot problems throughout the campaign organization. This is explained more fully in the attached memo that Mitchell has approved. To me this is a critical role that can have a major and direct impact on the President's re-election, and I feel confident of being able to handle it well. Since the demands on me associated with my current responsibilities at the White House are diminishing, my transfer to the campaign would not result in a significant loss of effectiveness. Thus, I would be very happy to undertake the campaign role.

A key gap left by my departure from the White House would be in coordinating Administration efforts in support of re-election. Thus, a second option would be for me to remain here and act as the general manager of the overall Administration activities in support of the President's re-election. This would provide the President and you with a focal point for coordinating and directing the half dozen programs which have been initiated to capitalize upon our control of the Executive Branch. This, too, is a highly meaningful role which I would be pleased to undertake. Still another possibility would be to have me assume both the campaign and the general manager responsibilities. The latter two options have advantages and problems as discussed below, but either one enables me to remain at the White House, which I understand is your desire.

GENERAL MANAGER OF ADMINISTRATION PROGRAMS

As you know, I am developing a management information system to assist you in coordinating and managing the programs being initiated to support the President's re-election: grantsmanship, issue management, constituent group management, Departmental programs to enhance their responsiveness, communications, and personnel. While this information system should

prove helpful, the management burden will still fall on you, since you are the only one, besides the President, with the responsibility and authority. However, it is doubtful you will have the time to monitor progress, dig into problem areas, and keep the pressure on each of these programs. Thus, the overall operation may become disjointed and bog down as the day-to-day White House demands inevitably assert themselves on the key players.

To overcome this problem, someone should be established as the general manager to supervise and coordinate the various activities. This would give you and the President one person to look to and hold accountable for Administration efforts. This person's responsibilities would include the following:

- Take the lead in the program to politicize Departments and Agencies by coordinating orientation visits, reviewing plans for each, riding herd on OMB efforts to follow up on these plans, reviewing monthly reports on progress against plan, and taking corrective actions where needed.
- Work closely with Chuck Colson and individual constituent group project managers to develop strategy and action plans for each key group and to ensure that these plans are effectively carried out.
- Closely monitor Issue Management efforts, ensuring that the Domestic Council staff remains forcefully on this track and that adequate White House support is provided.
- Ride herd on the implementation of the Government-wide communications project ensuring that recommendations are rapidly carried out and that public information offices function as planned.
- Directly supervise the patronage operation and closely monitor the grantsmanship project to ensure maximum and unrelenting efforts.
- Keep you fully informed on the results achieved and problems being encountered utilizing the management information system referred to earlier.

A major problem in my being able to carry out these responsibilities would be gaining cooperation from key players affected (i.e., Ehrlichman, Shultz, Colson, Cole). Each of these are strong men with justifiable pride and

territorial claim. Particularly in the case of the Domestic Council, they will not accept "meddlers" with open arms. Overcoming this problem would require a good deal of support from you and the President and considerable tact on my part. To set the stage it would be essential for you or the President to clarify my role with these men and supply me with the clout necessary to do the job.

COMBINED CAMPAIGN AND WHITE HOUSE RESPONSIBILITIES

The second possibility would be to have me assume both the campaign responsibilities and the general management responsibilities described above. I would remain on the White House Staff and retain my office here. I would also have general responsibility for the Citizens/Voting Bloc and management audit programs. These would be conducted by a Citizens Director whom I would have a hand in hiring. This man would be responsible to Mitchell on paper but would take general guidance from me.

This dual assignment would put me in a unique position to meld two mutually reinforcing responsibilities and would have several distinct advantages as summarized below.

- From John Mitchell's point of view, this gives him a senior agent in the White House and then ensures him a key hold on running Government activities in support of the campaign. This would greatly assist him to be fully effective.
-  -- Also from Mitchell's viewpoint, this provides greater support to the Citizens/Voting Bloc programs. The Campaign Organization is devoted primarily to establishing State organizations and generating a certain amount of publicity. Yet, much of the success of the Citizens/Voting Bloc programs will depend on actions by the President and/or Administration. Clearly, it would be much easier to deliver on these needed actions from here if the programs were closely integrated into the grantsmanship and Departmental responsiveness operations.
- Coordination between the various campaign groups and the White House is essential if we are really going to make a difference with key constituent groups. An operative with overview of both areas would certainly be in the best position to effect these coordinated thrusts.

- A combined "controller" for both campaign and Administration political activities would enable you, Mitchell, and the President to review the overall effectiveness of all activities supporting the President's re-election.
- To effectively guide Administration efforts a solid knowledge of campaign activities will be required. You are the only person now with the knowledge and clout to do this, but your time will be limited. Thus, the creation of a dual role for me would fill what may otherwise become a serious void. Also, my campaign responsibility would make my general management role more logical and hence, more acceptable to Ehrlichman, Shultz, Colson and Cole.

I feel these benefits would be significant. However, there are a number of barriers that would have to be overcome to make the concept work successfully.

First, and obviously most critical would be Mitchell's acceptance of the concept. He would have to believe that the advantages enumerated above are real and that the dual reporting role is feasible. Frankly, I expect that Mitchell would be reluctant to give so much responsibility to someone he does not own. He may also object to the keeper of his management information system being in a position of conveying problems of his operation into the White House. I would feel this way in his shoes. The only way to address this would be to have a frank and open discussion with Mitchell on this subject. If necessary, we may even want to consider my primary reporting relationship to Mitchell.

A second drawback is that having a White House staffer intimately involved in campaign activities seems in conflict with the President's posture of being removed from the campaign until the convention. While I would expect to maintain the lowest profile, it is likely that certain elements of my role would become visible. You are in a better position to judge the seriousness of this. ✓?

Finally, there is concern as to whether the combined job is doable, particularly by me. It is a complex and highly sensitive assignment, and it depends on the cooperation of many others. It may not be doable at all, and if it is, I may not have the stature, respect, or capacity that is needed. Again, you are in a position to evaluate this. My own conclusion is while complete success is undoubtedly not obtainable, we can make considerable progress, and I can make a contribution.

* * *

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If after reviewing this you feel the above ideas make some sense, I feel it would be very worthwhile to sit down and discuss them in depth. There are many ramifications and probably a range of possible problems not covered in this memorandum that need to be drawn out before a conclusion is reached.

Attachment

January 28, 1972

MALEK EXHIBIT NO. 2

THE WHITE HOUSE
WASHINGTON

CONFIDENTIAL

February 16, 1972

MEMORANDUM FOR:

JOHN MITCHELL
BOB HALDEMAN

FROM:

FRED MALEK

SUBJECT:

Meeting to Discuss My Role

The meeting this afternoon with John Ehrlichman and George Shultz is generally to establish my new role with them. Specifically, we want to accomplish the following:

- Brief John and George so they fully understand my role in the campaign and the White House and as a bridge between the two.
- Gain their support and commitment for this role.
- Get their suggestions on how best to carry out my responsibilities effectively, particularly how best to operate with their staffs.
- Gain agreement on how to broach this with their staffs in a way that will enhance cooperation.

Attached are talking points that I suggest for this meeting.

Attachment

CONFIDENTIAL
EYES ONLY

TALKING POINTS TO ESTABLISH
NEW RESPONSIBILITIES

HRH

1. John and I have arranged this session to discuss coordination of campaign and Administration activities and a means of ensuring maximum support and responsiveness from the Administration.
2. As you know, we have already started a number of thrusts to ensure that the power of the incumbency is used.
 - a. Constituent group teams and project managers are being set up to gain support with major constituent groups
 - b. The Domestic Council staff has designated issue managers who are responsible for posturing the President correctly and generating support for his position on major issues
 - c. Plans have been developed wherein George's people would play a major role in seeing that Departmental actions to the greatest extent possible are supportive of the re-election effort
 - d. Bill Gifford has undertaken a project related to grants and Fred's people have a new program to strengthen responsiveness of patronage to campaign needs.
3. There are several problems, however, that are not adequately covered by present arrangements.
 - a. Projects may easily bog down as day-to-day demands inevitably assert themselves on the key players
 - b. There is a great need for coordination between these various efforts
 - c. Most importantly, we need to ensure these efforts are truly responsive to campaign priorities and that there is close coordination in areas such as constituent groups (JM may want to reinforce this point)

4. To meet this need John and I feel strongly - and the President has concurred - that Fred should join John at the campaign but also remain associated here.
 - a. Act as John's deputy in supervising citizens/voting bloc activities (JM may want to elaborate on this, e.g., this gives Fred responsibilities most affected by Administration activities)
 - b. Outwardly, he would remain a member of the White House staff, keeping pressure on the programs discussed earlier and ensuring that these programs are responsive to and coordinated with campaign needs

JM

1. The roles described are mutually reinforcing.
 - a. Intimate knowledge of campaign priorities, plans, and requirements will enable Fred to be more productive in coordinating in-house activities
 - b. At the same time knowledge of White House capabilities, programs, and problems will make him more effective in guiding campaign voting bloc efforts
2. In addition I feel this provides other advantages.
 - a. It will help ensure that White House and other Governmental activities are supportive of campaign to greatest degree possible
 - b. Much of success of the Citizens/Voting Bloc programs will depend upon actions by the President and/or the Administration. The combined responsibility would help gain the support needed.
 - c. Coordination between the Citizens and Voting Bloc programs and the parallel White House efforts would be facilitated by having an overview responsibility for both areas
3. I have asked Fred to get into additional specifics. Before he does, you might want to discuss some of the points that have been covered.

FVM

1. Generally, the plan entails:
 - a. Spending at least 1/2 time physically at 1701, but bringing on board a full-time Citizens Executive Director to work with me
 - b. Turning over personnel responsibilities between March and the election to Dan Kingsley
2. Success of my mission depends on working effectively with certain members of your staffs, and I would greatly value your thoughts on how to handle this. My general approach is as follows:
 - a. Clearly, I would not presume to tell your staffs what to do. They are the experts and know best how to serve the President in their areas.
 - b. However, I will inform them of overall re-election priorities relevant to their areas of responsibility and keep the pressure on as much as possible for results in these areas
 - c. If it becomes apparent from polls, State Chairmen, or otherwise that we are losing ground in an area, I will want to discuss it and try to gain an agreement on what corrective action can be taken
 - d. I will also want to ensure that John's issue managers are receiving adequate White House support from communications and legislation staffs
3. It is still too early to describe precisely how I would work with the staffs, but in the Domestic Council area it would probably include:
 - a. Bringing relevant Campaign and Domestic Council staff members together to ensure latter are totally familiar with policy needs and priorities of various constituent groups (e.g., Payment of prescription drugs for elderly)
 - b. Doing same in relation to State victory plans (e.g., priority environmental projects or Presidential policy pronouncements needed for Florida)
 - c. Meeting with Ken Cole periodically (or issue managers if he prefers) to discuss progress on issues and determine where added White House or Departmental support is needed

- d. Once the concept is fully introduced, much of the contact can be handled on staff level with only problems rising to Cole or me (e.g., Bi-lingual education example)
- 4. In the OMB area, George, we have already discussed this on a preliminary basis.
 - a. I would coordinate the Departmental responsiveness program as we discussed with my staff working closely with Gifford in the planning and your budget directors on the follow through
 - b. In addition my people would use the Department political structure to make specific requests needed by the Campaign
 - c. The grantsmanship operation will be closely allied to the Departmental responsiveness program, and I anticipate no problem in working effectively with Bill Gifford in these two areas
- 5. The greatest assistance after you have generally agreed on the concept and role would be to create a receptive environment among your staff
 - a. You may want to cover this at a staff meeting with or without my presence
 - b. I could then follow up with appropriate staff members to work out the details
 - c. Also, your help will be needed periodically to gain cooperation from Cabinet Officers
 - Initially, we may want to have this covered with them in a Cabinet Meeting
 - Alternatively, you may prefer that you and I meet individually with them

TALKING POINTS FOR MEETING WITH THE ATTORNEY GENERAL**I. Continued high level of enthusiasm for campaign role**

- ✓ A. Have discussed at length with HRH, and he, too, is for it
- B. I have given much thought to how best to get the job done and what possible problems must be overcome
- C. I have a suggestion to overcome problems and be even more effective for you.

II. Problems

- A. As briefly covered with you earlier, I have been involved in a number of special projects in support of re-election -- let me cover these so you can best appreciate their significance and their necessity to your efforts in the campaign.
 - 1. Patronage, grantsmanship, Government-wide communications
 - 2. Constituent and issue group project management, closely relating to efforts of Citizens/Voting Bloc groups
 - 3. Department programs to assure day-to-day operations are supportive in every possible way to the campaign effort
- B. Ensuring that the Government provides maximum support to the campaign effort is essential, and this is the hole I was to have plugged
 - 1. I have been responsible for conceiving and establishing each of these special projects
 - 2. Except for the Departmental effort, each is under someone else's management, and without consistent prodding and direction, they will wither and become ineffective.
 - a. Inevitably, day-to-day servicing of President's needs will take priority, and projects neglected
 - b. Bob is the only one with overview to manage but he does not have the time
 - c. Thus, someone is needed to ride close here on each of these operations and ensure they give you the support required

- C. A second problem revolves around the ability to get things done from the campaign organization
 - 1. Many of the most meaningful programs of the Citizens/Voting Bloc operations will depend on White House/Administration cooperation and responsiveness
 - 2. Also, close coordination with parallel White House activities is essential.
 - 3. These things may be hard to achieve from campaign office
- III. I have come up with a solution to these problems -- Bob agrees subject to your approval
 - A. Assume general responsibility as we have discussed but at the same time be given clear responsibility for managing the White House and Administration efforts as outlined above
 - B. Basically, I would report to you but with a dual portfolio that would provide these advantages
 - 1. This gives you an effective force within the Administration to ensure that White House and other Governmental activities are supportive of the campaign to the greatest degree possible. One of your greatest assets is that we are in power, and we must use this asset.
 - 2. Much of success of the Citizens/Voting Bloc programs will depend upon actions by the President and/or the Administration. The combined responsibility would help gain the support needed.
 - 3. Coordination between the Citizens and Voting Bloc programs and the parallel White House efforts would be facilitated by having an overview responsibility for both areas
 - 4. Effectively guiding Administration efforts requires a thorough understanding of campaign strategy and operations
 - 5. My campaign responsibility would make my general management role more acceptable to Ehrlichman, Shultz, Colson, and Cole, and would, therefore, enable me to be more effective
 - 6. Finally, a combined "controller" both for campaign and Administration political activities would better enable you, Haldeman, and the President to review the overall effectiveness of all activities supporting the President's re-election

IV. How it would work

A. My primary reporting relationship to you -- your man

1. Secondarily report to Bob for Administration programs
 2. Bob agrees to this arrangement and will provide me the necessary clout to get the job done at the White House
- B. To maintain leverage over White House staff and Administration, I would remain identified as a member of the White House staff
- C. I could not run both the Citizens and Voting Bloc operations and still do this -- thus, a Citizens Executive Director would have to be hired
1. I would take the responsibility for finding you an Executive Director within the next week
 2. He would, of course, report to you, and I would supervise many of his day-to-day activities as originally envisioned
- D. I would establish the management/audit control operation for you and would report at least weekly to you on progress and problems

V. Possible barriers

A. First and most important is your acceptance of the concept

1. Do you feel that the combined responsibility and dual reporting relationship is feasible?
 2. You may feel awkward about having the keeper of your information system being in a position to convey problems to the White House. I would want to address this problem explicitly if I were in your shoes.
- B. If the job is doable, there is a question whether it can be done by me, given its great complexity and sensitivity and the dependence on the cooperation of many others.
- C. While I would maintain the lowest possible profile, having a White House staff member intimately involved with the campaign might become public and create adverse publicity.
- D. Despite barriers, I think it can work and that the benefits far outweigh the problems.

MALEK EXHIBIT NO. 3

~~CONFIDENTIAL
EYES ONLY~~Concentrate on 1-2-3ORGANIZING FOR AND IMPLEMENTING NEW RESPONSIBILITIES

This memo reviews my major activities for the next 9 months, suggests a tentative organization plan to handle these activities, and outlines the general steps that need to be taken to make me fully operational.

MAJOR ACTIVITIES

There are 5 activities over which I will exercise direct supervision: Citizens/Voting Bloc operations, management control, Department responsiveness, patronage, and personnel. There are 4 areas of indirect supervision including constituent group project managers, issue project managers, grantsmanship, and communications. While my plans are far from fully developed, my initial thoughts on each of these are discussed briefly below.

Direct Supervision

OK - should get moving fast! #1
Citizens/Voting Bloc Operations Although I will not have direct responsibility for White House constituent group activities, I tend to view them in tandem with citizens/voting bloc efforts. Consequently, a major part of my job will be to bring these together so we have one coordinated plan for each major voting bloc that both the campaign and the White House constituent group managers are committed to. Overseeing the development and implementation of these plans will require a large portion of my time; however, a Citizens Executive Director will be brought on to spend full time on these key activities. Recruiting and deciding on the Executive Director will be a top first priority.

Management Control. This operation will give you, Mitchell, and the President a means of reviewing the overall effectiveness of all campaign and Administration activities supporting the President's re-election. This will involve establishing and operating a report and follow up system in both the campaign and the Administration that provides an evaluation of how effectively the major activities are being carried out, especially in the key States. The system will highlight major problem areas and will follow through to ensure that corrective action is taken as directed by you or Mitchell. In a sense, we will be breaking new ground here, and it will require a great deal of effort in the first few months. Once established, this system should ease both Mitchell's load and mine. Good - but shed not get bogged down in trivia - stay on the key areas

#1

Department Responsiveness. This is potentially one of the most productive activities we will undertake. The first steps include a Cabinet Meeting briefing, orientation visits to each Department, establishing a political team (generally headed by the Under Secretary) in each Department, and instigating and reviewing Departmental plans for strengthening

Particular essential support of E&S - & whether they really fully understand & agree to this whole deal. E&S is the key to dealing w/ depts. + must be on board 100%

*Up. Inpt. to get
Cole aboard.*

responsiveness. The role will then change to working closely with OMB to ensure plans are carried out on time and utilizing the Department political teams to carry out other requirements which develop during the course of the campaign.

Patronage and Personnel. The key thing here is to maintain maximum control over Administration-wide appointments to Advisory Commissions and full time posts so as to ensure responsiveness to campaign needs. Dan Kingsley can be counted on to continue to handle this effectively. We also plan a major project to prepare for 1973 which will include identifying marginal performers (Kingsley) and developing an improved talent bank (Pen James) that will aim at including the best people in the country for a wide range of key functions. I would plan to directly supervise the James talent bank project, but turn the remaining personnel/recruiting responsibilities over to Kingsley with a minimal amount of direction from me.

*You should try to stay almost completely out
of this except at very top level*

Constituent Group Project Managers. As pointed out earlier, my major function here will be to bring this together with the Citizens/Voting Bloc activities. This will involve working with the project managers to develop a comprehensive combined plan and then following closely to ensure the plan is carried out, additional opportunities are seized, and maximum responsiveness to the campaign is maintained. *need to determine their areas further* #2

Issue Project Managers. The focus here will be on loosely monitoring efforts, ensuring that we stay on track and that adequate White House support is provided. Also, we would ensure that Issue Managers are well informed on and responsive to campaign needs that develop. It will not be easy to gain real cooperation here, but at the same time, I do not view this as a major payoff area. Hence, it will not occupy a major portion of time. *you'll probably a major area* #3

Grantsmanship. I expect that Bill Gifford will do a fine job here and be fully cooperative. Thus, this will require limited time, mainly ensuring that the campaign team is creatively coming up with grant ideas and that Gifford is aware of these. It may also require some enforcement with recalcitrant Departments. *wrong - it is, if used right - on a few that really matter* OK.

Communications. We are well into implementation here and should be fully operational by April 15th. Bill Horton will continue to track remaining implementation steps, and we can audit performance and responsiveness thereafter through Des Barker.

ORGANIZATION

My tentative organization plan to handle the above activities is shown in Tab A and elaborated on below. Once you have reviewed the plan, I intend to keep the chart solely for my own use and not for distribution elsewhere, including my own staff. Much of this plan involves changes in use of White House personnel and requires your approval. A discussion follows on a few salient points of the plan and the key personnel implications.

Controller. As you can see from the chart, I have a virtually uncontrollable situation with a large number of constituent and Citizens/Voting Bloc managers and a number of Departments and Agencies to be concerned with. Obviously, I will have to involve myself on a selective basis in only the most important areas. This makes the role of the Administration Controller quite critical. It will be his responsibility to help plan the Administration efforts, continuously follow up on these efforts through reports and other means, and identify problem areas for my attention. In effect, he would be my deputy to help supervise the various Administration activities. In addition, he would work closely with the campaign controller in setting up a management control system and monitoring activities. I recommend phasing Bill Horton into this role so that he is full time Controller in one month. *Ok if he's a monitor - not if he's really a deputy - you can't have someone else act in your place on this*

Approve _____ Disapprove _____

Campaign Controller. The job here is one that to my knowledge has never been done before. It is to establish a report and follow up system that provides John Mitchell with a continuing management audit to evaluate performance and spot problems throughout the campaign organization. It will involve getting people to do things they don't want to do (e.g., plan and report), and the job will require great tact and diplomacy as well as a solid understanding of management. This is a key role that could have a great impact on the campaign's success and for this reason warrants moving Jerry Jones from the White House staff.

Should have Maguire tied in to the reporting process

Approve _____ Disapprove _____

Department Responsiveness. Strengthening Department responsiveness involves orientation visits, reviewing plans for each, reviewing monthly reports on progress against plan, riding herd on OMB efforts to follow up on implementation, and using Department political organizations to fulfill special campaign requirements. We cannot depend on OMB to do all that is needed

here, and I propose using Stan Anderson and Frank Herring half-time as my personal agents in monitoring and prodding Department efforts.

I have no idea who they are & don't understand how this will work

Approve _____

Disapprove _____

Patronage/Personnel. With the departure of Jones and the use of Anderson and Herring on Department responsiveness, Kingsley will be short handed. The slack in the recruiting area will not help since Marumoto and Franklin will spend most of their time as project managers for Spanish Speaking and W omen respectively, and James and Clarke will be involved in the special recruiting project described above. We have already requested two clerical workers to perform much of the administrative work currently handled by Anderson and Herring. In addition, I recommend you authorize us to replace Jones. If you agree, we will, of course, submit a specific candidate for your approval.

Let's wait & see what the time demands are

Approve _____

Disapprove _____

W.W.M. Indirect Responsibilities. I expect it will be quite easy to coordinate Gifford's role on Grantsmanship as required, and Bill Horton will continue guiding efforts to strengthen PIO operations. I do not feel there is a great payoff from the Issue Managers, and, consequently, I anticipate a much looser type of coordination here. The most difficult area and the one with the most payoff potential is the Constituent Project Managers. Therefore, this is the area that will command the greatest attention from me and the Controller.

GENERAL IMPLEMENTATION STEPS

You and I should meet as soon as convenient to discuss the proposed organization as outlined above, the implementation steps, and what can be done to establish my new mission with the maximum force and credibility. In order to be operational by the time you depart for China, I hope we can meet and agree to a plan soon. Assuming this to be the case, the following steps would be taken subsequently:

<u>Steps</u>	<u>Date</u>
1. Brief my staff on the new mission generally and meet with each on his specific role	2/10
2. Work with Magruder on developing total campaign organization structure for Mitchell's approval.	2/11

- | | | |
|----|--------------------------------------------------------------------------------------------|------|
| 3. | Select and gain John Mitchell's approval of Citizens Executive Director. | 2/11 |
| 4. | Brief senior White House staff on the mission/organization and how it relates to them. | 2/15 |
| 5. | Brief campaign staff on same. | 2/16 |
| 6. | Brief Cabinet on overall effort, focusing on requirements for Departmental responsiveness. | * |
| 7. | Become fully operational in new role. | 2/17 |

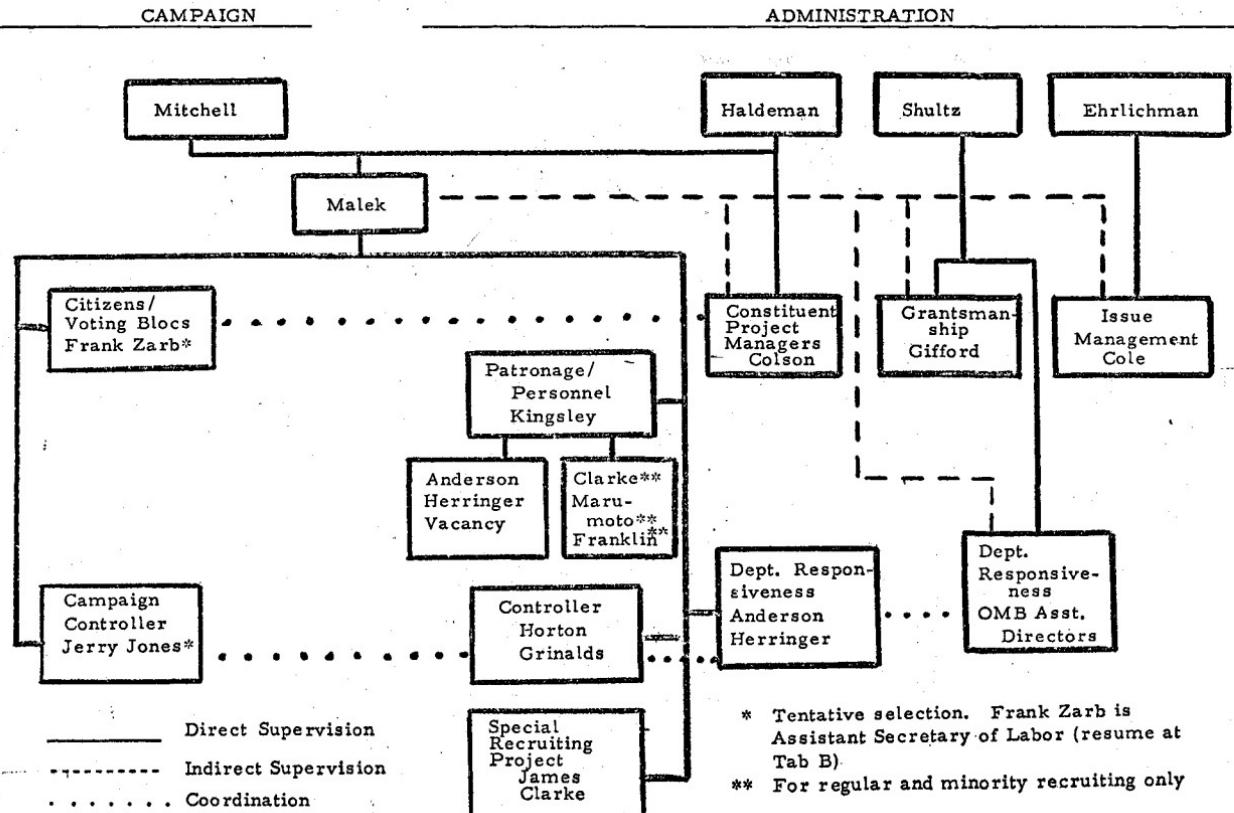
During this initial period I will also be devoting substantial time to getting up to speed on various campaign activities, developing initial thoughts on the management control system, and generally getting on top of the Citizens/Voting Bloc operations.

*Don't worry about
it. I'll take care of it.*

* At a Cabinet Meeting subsequent to the briefing of the senior White House staff. Obviously, this date may be delayed until early March if an appropriate opening in a Cabinet Meeting does not occur before the China trip. This delay, while causing some inconvenience, would not be a major problem.

CONFIDENTIAL

CITIZENS/WHITE HOUSE ORGANIZATION PLAN



MALEK EXHIBIT NO. 4

MEMORANDUM

Departmental Responsiveness

347

THE WHITE HOUSE

WASHINGTON

March 17, 1972

CONFIDENTIAL

MEMORANDUM FOR:

H. R. HALDEMAN

FROM:

FRED MALEK *FHM*

SUBJECT:

Departmental Responsiveness

Attached is a paper outlining our proposed program for improving Departmental responsiveness in support of the President's re-election. It has been reviewed and concurred in by Bill Gifford.

As indicated in the paper, the program should be initiated as soon as possible if you wish to take advantage of discretionary resources remaining this fiscal year. Consequently, I have directed my staff to develop all necessary implementation materials (briefing notes, planning guidelines, etc.) during my absence next week. We will then be in a position to implement the program shortly after my return on Monday, March 27, should you so desire.

Attachment

~~EXTREMELY SENSITIVE - CONFIDENTIAL~~

INCREASING THE RESPONSIVENESS OF THE EXECUTIVE BRANCH

This paper outlines a suggested program to improve Executive Branch responsiveness to the voting public. It discusses the present efforts and the need for augmenting them; suggests an action program and assignment of responsibilities to carry it out; reviews possible drawbacks of the program; and suggests implementation steps.

PRESENT EFFORTS

Several steps have already been taken to improve Executive Branch responsiveness. First, project managers have been assigned responsibility for understanding the needs of certain groups of voters, suggesting action to meet these needs, and communicating achievements. The desirable action identified by these and other sources may involve policy or operational matters.

If a policy matter is involved, the action would be handled by the Domestic Council staff. In addition to their continuing responsibility for all domestic policy matters, certain Domestic Council staff members have been assigned responsibility for ensuring that the President's position on specified key issues is responsive and is communicated effectively to the public.

Actions involving operational matters are handled in one of two ways. Personnel matters are handled with the Departments by Dan Kingsley. All other operational matters (grants, contracts, construction decisions, etc.) are handled by Bill Gifford.* While each of these programs is working effectively to carry out its mandate, the mandate for non-personnel operating matters should be broadened in order to overcome the two problems discussed below.

1. Present efforts tap only a fraction of the total potential. Under current procedures, it is the usual rule that the Departments only do as they are instructed. In only a limited number of cases are their actions self-generated. The burden is on Gifford for developing methods to gain appreciation for the Administration. He relies on the campaign apparatus, White House staff, direct consultation with campaign management, as well as ideas generated by the Departments themselves. Thus, the effort from the Departments is largely reactive.

* During the recently completed budget cycle, Gifford worked closely with the budget examiners to ensure the budget was as supportive as possible for the President's re-election.

The Department of Commerce provides a good example. To date Gifford has made some 35 requests. Most of these involved expediting the normal grant reviewing process and securing the release of information. Approximately a dozen of these requests resulted in favorable grant decisions (which otherwise would not have been made) involving roughly \$1 million. Politically these actions have been most beneficial.

Nevertheless, in spite of this achievement, the potential is much greater. In the Commerce Department, for example, there is nearly \$700 million in funds remaining in this fiscal year and over \$700 million in next fiscal year which could be redirected in some manner. The major areas of potential for fiscal year 1973 are: Economic Development Administration, \$275 million; Regional Action Planning Commissions, \$40 million; Minority Business Enterprises, \$38 million; National Oceanographic and Atmospheric Administration, \$100 million; and the Maritime Administration, \$230 million. Even if only 5% of this amount can be rechanneled to impact more directly on target groups or geographic areas, it would be a substantial increase over the current efforts.

To capitalize upon such opportunities, the Departments must initiate action themselves. This would entail each Department developing a program by which it would systematically but discretely seek out opportunities for improving services to target groups and geographic areas and then ensure that appropriate action is taken. Attempting to undertake this effort at the White House level would be futile, since there is neither sufficient staff, nor the needed depth of expertise in Departmental programs. The White House, of course, could -- and should -- set priorities and provide general supervision to the Departmental effort. Specific means for doing this will be outlined after discussion of the second problem area.

2. The Departments receive conflicting direction on operating matters. Various White House sources sometimes give widely diverging direction to the Departments in allocating discretionary resources. For example, the Administrator of EDA at Commerce has received calls from White House sources including Harry Dent, Bob Brown, Peter Flanigan, and the Domestic Council, each one advocating the allocation of projects to a different geographical area. The Departments are not in a position to rationally prioritize among conflicting requests. Typically, they will either choose the one advocated by the most influential individual or try to satisfy all the demands, thus substantially diluting effectiveness.

The tendency for multiple direction to the Departments is bound to increase this year, and unless checked, it will cause considerable confusion and

increase the risk of adverse publicity of White House meddling in Departmental operations for political gain. More importantly, without coordination, it is unlikely that such diverse White House directives appropriately reflect the relative importance of targeted groups and areas.

Consequently, as originally envisioned in establishing Gifford's grantsmanship operation, direction to the Departments on politically sensitive operating matters should be centralized in order to utilize this resource most effectively in serving target groups and geographic areas and to reduce the possibility of adverse publicity.

SUGGESTED ACTION

As indicated above, two fundamental steps should be taken to strengthen Departmental responsiveness: (1) gear up the Departments to systematically seek out and act on opportunities, under the general supervision of the White House, and (2) centralize contact with the Departments on politically sensitive operating matters in order to improve coordination and effectiveness. Carrying out these steps will naturally require action both by the Departments and the White House.

Departmental Action

Gearing up the Departments to systematically seek out and act upon opportunities requires (a) giving the Departments clear guidelines on how to conduct their politically important activities, (b) having the Departments develop plans which are reviewed and approved, and (c) following through to ensure the plans are carried out and day-to-day activities conform to the guidelines. The points of contact with the Departments would be those individuals already designated by the Cabinet officer to work with Gifford on grantsmanship. In most cases, this is the Under Secretary.

Refiled
Guidelines. As a first step, the Departments should be given clear guidelines covering the political priorities, the types of operating decisions which are to be included in the program, and the procedures for planning and tracking progress.

The political priorities would be spelled out in terms of key States and major voting bloc groups upon which Departmental action could have an impact. The Departments would be updated as needed, as the political priorities evolve.

Next, the types of activities covered under this program would be discussed. The major ones, of course, are positive decisions (e.g., project grants, contracts, loans, subsidies, procurement and construction projects), and negative actions (e.g., taking legal or regulatory action against a group or governmental body, major cutbacks in programs, and relocation of Department operations). The Departmental contact would naturally not be expected to control all of the possible positive actions throughout his Department. Rather, the effort should be focused on those sub-Agencies where the payoff is the greatest. In Commerce, for example, this means the Economic Development Administration, Regional Action Planning Commission, Office of Minority Business Enterprise, National Oceanographic and Atmospheric Administration and Maritime Administration. In some cases, the Departments will have to tighten controls over decisions in the high payoff areas and over the announcement process.

Equally important to controlling the decisions is the need for announcing positive actions in a way to gain maximum visibility and ensure the President and his Administration are given the credit. Consequently, emphasis would be placed on properly announcing favorable actions through various means. To gain added favorable publicity, emphasis would also be placed on a Departmental speakers program, publications, mailings, etc., thus reinforcing the project to strengthen Departmental communications.

Also, under this program, the Departments would be expected to cultivate the leaders of organized groups which are affected by the Department to gain their support and the support of their groups for the President's re-election. Similarly, the Departments would be expected to take discrete and subtle steps to gain employee support of the President's re-election.

These general guidelines would provide a framework for directing day-to-day Departmental activities to be more supportive of the President. They would also serve to help the Departments identify those politically sensitive decisions which should be referred to the White House. Finally, they would provide the basis for Departmental plans discussed below.

Departmental Plans. Each Department should be required to develop a plan to ensure operating decisions reflect the priorities to the greatest extent possible. The plans would outline what amount of discretionary resources in each area identified above will be allocated to priority areas and groups along with a timetable and responsible individual. Also included would be steps planned for strengthening control over the relevant operating decisions, the announcement process, and the public relations improvements. Finally, the plan would cover actions for cultivating organized groups and for gaining the support of Departmental employees.

In developing these plans, the Departmental contact would work with the appropriate Assistant Secretaries and sub-Agency Heads individually in their various areas of responsibility. The contact and his immediate staff would then be responsible for pulling together a Department-wide plan for review by the White House.

Follow-through. As suggested earlier, the Departmental contact will be expected to establish controls to ensure the desired action is taken. Moreover, he will be asked to report monthly on progress against plan, as well as accomplishments in unplanned activities in support of the President's re-election. The reports would be made verbally to certain White House staff members in accordance with the responsibilities described below.

WHITE HOUSE RESPONSIBILITIES

Bill Gifford's responsibilities in this regard will continue as they are now. Principally, these are (1) ensuring the Departments are responsive on specifically identified operating decisions, and (2) reviewing and briefing Shultz on the impact of sensitive OMB decisions.

In addition, under the action proposed above, Gifford would work with Fred Malek and his staff in establishing and supervising the Departmental programs. Gifford would be the principal contact for operating matters with the Departments, communicating to the Departments the political priorities as well as the "must" operating decisions. Also, he would participate in presenting the guidelines discussed earlier to the Departmental contacts, reviewing the Departmental plans, and evaluating progress reports.

Complementing Gifford's role, Malek and his staff (Anderson and Herring) would be responsible for establishing the management procedures needed to coordinate and conduct the program. Specifically, this would entail:

- Preparing the guidelines for presentation to the Departmental contacts.
- Assisting the Departments in organizing for the program and working with them in the development of their plans.
- Reviewing the Departmental plans to ensure they map out the best possible effort to meet the priorities and coordinating these with Cap Weinberger and the relevant Domestic Council staff members.
- Ensuring that the combined activities of the individual Departments effectively fulfill the priorities without overallocating resources to any one.

- Working with others in Malek's area of responsibility (e.g., Voting Bloc Directors) to identify ways to better serve priority groups and geographical areas.
- Monitoring Departmental effectiveness through (1) the monthly progress reports discussed earlier, (2) OMB budget directors' checks on whether budget reallocations in the Departments' plans are adhered to, and (3) reports from the campaign field organization on problems caused by Departmental action.

Also, this Malek-Gifford operation should be the central point through which all White House direction on politically sensitive operating matters flows to the Departments. This would eliminate the current confusion in priorities discussed in an earlier section.

Gearing up the Departments to systematically seek out and act on opportunities in support of the President's re-election does have some drawbacks. These should be addressed prior to discussing possible implementation steps.

POSSIBLE DRAWBACKS

Three possible drawbacks have been cited regarding this proposed program.

1. Adverse Publicity. The most significant drawback of the program is, of course, the risk of adverse publicity. Naturally, steps would be taken (1) to ensure that information about the program itself and the Departmental plans would not be leaked and (2) keep the President and the White House disassociated with the program in the event of a leak.

First, written communications would be kept to a minimum. There would be no written communications from the White House to the Departments -- all information about the program would be transmitted verbally. The only written material submitted by the Departments to the White House would be the plans. These would be in a brief outline format and only two copies would be permitted -- one for the White House and one for the Departmental contact. Progress reports would be verbal.

Second, the documents prepared would not indicate White House involvement in any way. Also, oral and written communications concerning the program within the Department would be structured to give the impression that the program was initiated by the Department Head without the knowledge of the White House.

In spite of all precautions, there is still the possibility that some aspect of the activity will be leaked. However, this possible drawback is small compared to the probable payoff from effectively capitalizing on the resources of the Executive Branch.

2. Increased Confusion. A second possible drawback that has been cited is that the Departments would be confused by the addition of this new program to existing efforts. However, as pointed out earlier, the Departments are now confused by the multiple and often conflicting direction received from the White House. Centralizing these inputs into the Malek-Gifford operation as described above should reduce, not increase, this confusion.

3. Manpower Allocation. A final potential drawback is the stretching of already scarce White House staff resources to assume an additional workload. The major burden, of course, would be assumed by Malek's and Gifford's staffs and their current staffing levels (including Gifford's projected assistant) can absorb the added workload. The workload placed on other OMB officials and the Domestic Council staff would be negligible.

Consequently, in spite of possible drawbacks, the program should be implemented.

IMPLEMENTATION

To capitalize as much as possible on discretionary funds remaining this fiscal year, the program should be launched as soon as possible. Three basic steps must be taken to make the program operational:

First, the Departments must be given a clear understanding of what is expected of them in carrying out the program, as well as the President's full backing of the program. To demonstrate Presidential support, it should first be covered briefly at a Cabinet meeting. This briefing would be made by Malek and would cover the need for the program, the Departmental responsibilities outlined previously, and the implementation timetable. He would indicate that follow-up meetings would be scheduled with each Department Head and/or the already established Departmental contact to outline the program in more detail and discuss how it applies to individual Departments.

If you do not feel this should be done at a Cabinet Meeting, Malek and Gifford would meet individually with each Cabinet Officer to review the program.

The second step would be the development of Departmental plans. It is estimated that the Departments should be able to develop these plans within two weeks of the briefings mentioned above. As discussed earlier, these plans would be reviewed by Malek, Weinberger, Gifford and the appropriate Domestic Council staff member. These reviews should be completed within one week of submittal. With this step completed, the Departments can begin carrying out the program, and it, in effect, will be operational.

The third implementation step, of course, is to follow through to ensure that the Departments' activities conform to their plans, as well as capitalize upon the day-to-day operations which present themselves. The first series of follow-up meetings with the Departments will be one month after the completion of the initial plans.

Assuming that the Cabinet briefing can be held soon, the implementation steps could be carried out in accordance with the following timetable:

<u>Action</u>	<u>Completion During Week Ending</u>
Cabinet Meeting to Introduce Program	April 1
Briefing of Departmental Contacts on Program and Guidelines	April 8
Submission of Departmental Plans	April 22
White House Review of Plans	April 29
First Progress Reports	June 3

March 17, 1972

MALEK EXHIBIT NO. 5

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

CONFIDENTIAL

December 23, 1971

MEMORANDUM FOR:

H. R. HALDEMAN

FROM:

FRED MALEK *F.M.*

SUBJECT:

Redirecting the White House
Staff to Support the President's
Re-election

This memorandum reports progress on our work to redirect the White House staff organization to be more supportive of the President's re-election. Responding to your direction, our efforts have been concentrated on three basic objectives:

- To ensure that the President is postured correctly on major issues and with major constituent groups.
- To ensure the White House supports and meshes effectively with the campaign organization.
- To "politicize" the Executive Branch.

Generally, the planning is well underway to achieve each of these objectives and we should be in a position to initiate action by mid-January. Progress in each area is discussed below.

ESTABLISHING ISSUE/CONSTITUENT GROUP PROJECT MANAGERS

We are working closely with Ken Cole in developing a program to ensure that the President derives the greatest political advantage on significant issues and with major constituent groups. The most important issues will be handled directly by the White House, supported as appropriate by Departmental resources. The remaining issues will be assigned to appropriate Departmental officials under the general surveillance of the White House.

Cole and I are simultaneously taking two basic steps to establish this program. First, Ken has established a task force to study the Harris poll and identify significant issues and constituent groups. The task force will then assign responsibility to appropriate White House staff members and Departmental officials to ensure maximum political mileage on each issue.

The second step (my responsibility) entails spelling out clearly the means of effectively orchestrating the various White House support offices (e.g., Communications, Congressional Relations, Organizational Liaison,) under the direction of the Domestic Council project managers. Also, since the campaign is organizing by constituent group, there must be a clear division of responsibility between issue and constituent groups to avoid confusion or duplication of effort.

Bill Horton and I have met with Cole and Magruder to obtain their views on how the program should be organized and responsibilities divided. We tentatively agreed to the following arrangement.

The campaign will focus on the field organization and get-out-the-vote activities. This will include identifying potential voters for the President, ensuring they are registered, motivating those that are uncertain to vote for the President, ensuring that those favorable for the President get out to vote.

The White House project managers will have responsibility for a broad-based communications campaign designed to inform the constituent group of what the President has done to benefit them and to ensure that the President and the entire Administration is portrayed as favorably as possible to the group.

We have drafted a paper describing the proposed operation and forwarded it to Magruder and Cole for their review. After incorporating their modifications, as appropriate, we will review the paper with other affected offices, e.g., Congressional Relations, Communications, Organizational Liaison and Intergovernmental Relations. I expect that those reviews will be completed by mid-January.

When these two steps are completed Ken and I will jointly submit to you our proposal for activating this operation. At this stage I am unable to predict when Ken's piece of the work will be completed. However, I am sending him a memorandum suggesting a timetable which will enable the entire package to be ready for your review by mid-January.

SUPPORT FOR AND COORDINATION WITH THE CAMPAIGN ORGANIZATION

In our meeting with Magruder, we covered the support which he expected from the White House. The majority of areas that he discussed should be able to be handled by the existing staff in conjunction with the normal day-to-day activities. For example, Ron Walker and his staff will assist in training Advancemen. My staff is already providing recruiting assistance. Buchanan and Khachigian will continue their program to track the opposition. Dick Moore and Dwight Chapin are advising on public relations matters. Van Shumway is helping to establish their public relations capability. Al Snyder is assisting in TV scheduling.

Two areas, however, may require some additional staff support beyond what is currently planned. The first is public relations. Herb Klein's recommendations on organizing for the campaign included two staff additions "approved" by the Attorney General: (1) someone on Ziegler's staff to coordinate information between the White House press office and the campaign press section, and (2) someone on Klein's staff to monitor all editorial endorsements, prepare Presidential thank-you letters for endorsement, and circulate weekly lists of editorial endorsements to campaign staff.

The second area involves review of campaign copy material. Magruder feels strongly that someone from the White House should review all campaign advertising copy prior to its being used. Jeb is uncertain, however, how much effort this will require, and he is going to discuss this point with Buchanan.

Thus far, neither area has a clear-cut need. Unless you disagree, I will suggest to Huntsman and Kehrli that nothing need be done to hire additional staff for these purposes until the need is more apparent.

POLITICIZING THE EXECUTIVE BRANCH

As you have pointed out, the President's unique asset in the forthcoming campaign is his control of the Executive Branch. The White House must ensure that the President is able to capitalize fully upon this asset.

As you know, we have already initiated programs to derive greater political benefit from grants, communications, and personnel. Also, as discussed above, we will soon be establishing firm White House control over the handling of key issues and constituent groups. These White House directed efforts will control the key Executive Branch operations having the highest potential political payoff. In addition, we should take action to ensure that

the day-to-day Departmental operations are conducted as much as possible to support the President's re-election. Since it is impossible for the White House to directly control day-to-day activities, we must establish management procedures to ensure that the Departments systematically identify opportunities and utilize resources for maximum political benefit.

DEPARTMENTAL PROGRAMS

A major problem is the general insensitivity to political needs. To combat this problem, we are taking several steps. The first was a meeting chaired by the Vice President and attended by all Agency Heads which paralleled the political Cabinet Meeting. Next, we are planning a series of briefings in each Department for politically reliable appointees outlining in general terms the re-election strategy and actions they could take in their day-to-day operations to support this strategy. White House and campaign officials would participate in these sessions as appropriate. Next, we will form a task force in each Department chaired by the Under Secretary and containing the politically reliable Assistant Secretaries and sub-Agency Heads.

The task force would inventory all the possible ways to support the President's re-election and develop specific action plans for carrying these out. There would be some general areas of commonality in the Departmental plans, e.g., steps to generate support for the President within organized groups associated with the Department. However, most of the action steps would be uniquely tailored to the individual Department operations. For instance, GSA might undertake the following:

- Emphasize building construction in key States, cities, and counties.
- Expedite disposal of property for parks and schools in key States.
- Emphasize dual fuel programs in ecology-minded areas of key States.
- Emphasize minority procurement in those States and areas where there is a real opportunity to win some of the Black vote.

Politicizing the regions, which we have discussed, would be a natural bi-product of this program, since the regions would carry the major burden of implementing these politically helpful actions.

WHITE HOUSE CONTROL

Although each Department would have responsibility for developing and implementing its own program, the White House would monitor its effectiveness. For example, the appropriate White House staff members (in most cases Domestic Council Assistant Directors) should participate in the Departmental planning to assure it is thorough and imaginative. The

completed plans would be reviewed by a White House group chaired by the Domestic Council member and containing representatives from those organizations affected by the plan (e. g., the campaign, Organizational Liaison, the Communications Office, the White House Personnel Office, etc.), and the Department would be directed to make changes as deemed appropriate.

Follow-through would be the prime responsibility of the Domestic Council member, but I would monitor the results achieved. The Departments would report monthly on what had been accomplished in support of the President's re-election. The Domestic Council member would review these reports and would have the responsibility to contact the Departments on missed opportunities or changed priorities.

Naturally, carrying out this program, even if done discretely, will represent a substantial risk. Trying to pressure "non-political" civil servants to partisan support the President's re-election would become quickly publicized and undoubtedly backfire. Consequently, the strategy should be to work through the top and medium-level political appointees who exercise control over most of the Departmental decisions and actions.

Also, to minimize any direct links to the President, there should be no directions on this project in writing, and most of the initiative should come from the Department Heads themselves. (In fact, as this concept is refined further, I propose we stop calling it "politicizing the Executive Branch," and instead call it something like "strengthening the Government's responsiveness.)

As is evident from the above, this program calls for substantial effort by the Domestic Council. Cole is in general agreement but requires a fuller description of the Domestic Council role. Consequently, we drafted a paper and sent it to Ken discussing our ideas in some depth. In developing the concept, it has become apparent that it, combined with the project management assignments described above, could stretch the Domestic Council staff rather thin. We would then run the risk of trying to do too much and not doing anything well. Consequently, when we review the idea with Cole, we will discuss the impact it would have on the Domestic Council staff. I will then submit a specific proposal to you by mid-January.

*

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I will report progress to you on each of the above areas by mid-January. In addition, I will also consider how you should monitor the effectiveness of these various operations to ensure that action is being taken which is targeted effectively to ensure the President's re-election. I believe that we can be helpful to you in keeping track of the various activities, and I will develop a specific proposal for carrying this out as it becomes clearer how these various pieces will be conducted and fit together.

MALEK EXHIBIT NO. 6

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

December 23, 1971

CONFIDENTIAL

MEMORANDUM FOR:

KEN COLE

FROM:

FRED MALEK *FM*

SUBJECT:

Redirection of the White House staff
to Support the President's Re-election

Following up on our recent meeting, I have drafted two papers for your consideration.

The first (Tab A) discusses project managers. (As you will note, I have incorporated your policy check list which I concur with.) After review and input by you and Magruder, I plan to coordinate the end product with the other offices, i. e., communications (Klein and Colson), Congressional Relations, and Office of Intergovernmental Relations. I am shooting to have the procedures coordinated and finalized by January 14. If possible, the White House task force you have assembled to identify and assign the key issues should have its work completed by about the same time so we can activate the program as soon as possible thereafter.

As you know, Bob Haldeman has directed me to develop a program to insure the President is able to fully capitalize upon the Executive Branch in support of his re-election. As we discussed, this program should build upon the meetings you have already held with the Cabinet officers; and the Domestic Council staff should take the lead role in dealing with the Domestic Departments. As you requested, we have fleshed out our idea and have added some specific examples (paper attached at Tab B).

While I feel that the idea has considerable merit, there is a major drawback in the amount of time required of the top level Domestic Council staff to carry out the program effectively. Adding this program responsibility to the issue and project management responsibilities outlined in the first paper, the Domestic Council staff could be stretched pretty thin. Consequently, if the program to capitalize upon the Executive Branch has merit, the time constraint problem must be addressed.

After you have had an opportunity to review the attached papers, Bill Horton and I would like to discuss them with you.

CONFIDENTIAL

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DISCUSSION DRAFT

ISSUE MANAGEMENT

The purpose of this paper is to outline management procedures for ensuring that the President is positioned correctly on major issues and with constituent groups. The specific issues and constituent groups of importance to the President's re-election are being identified by a White House task force headed by Ken Cole. Since over two dozen issues and constituent groups have already been tentatively identified, most of the operation will have to be conducted by the Departments, under the general management of the White House. Some issues, however, have such overriding importance that they will be handled directly by the White House staff.

This paper first discusses the procedures for those issues handled at the White House level and then turns to procedures by which the White House should manage the Departments' issue management.

KEY ISSUES HANDLED BY WHITE HOUSE

Each key issue and constituent group will be assigned to an individual for handling. The man in charge is responsible for establishing an attainable goal for his issue and ensuring that everything possible is done to achieve that goal. The goals generally will be get as much credit for the President as possible on the issue or with the constituent group.

For this approach to work, three key requirements must be met. First, the project managers must be highly capable individuals who have sufficient

time and substantive expertise to get the job done. Second, the project managers must be given explicit authority and sufficient staff support to get the job done. Third, the project managers must be given clear direction and held accountable for achieving results.

Selection of the project managers will be determined by the White House task force mentioned above. The following sections discuss steps to fulfill the second two criteria.

Authority and Staff Support

The responsibilities and authority of the project managers will vary depending on whether the issue assigned is substantive (e.g., drugs, crime, and taxes) or a constituent group (e.g., Spanish-speaking, Catholics, and the Elderly).

Substantive Issue Project Managers. The issue project managers will have substantive as well as a broad public relations responsibility. The substantive responsibility will be carried out following normal Domestic Council procedures. To carry out his public relations responsibility, the project manager will have to work through various White House support offices and (i.e., Communications, Congressional Relations,/Organizational Liaison). To achieve this, an individual in each of these offices should be designated to support each project manager. Naturally, the project manager must rely heavily upon the judgment of and consult closely with these individuals in developing plans (discussed subsequently) and in day-to-day operations. Nevertheless, if the project manager is to be held fully accountable for results, he must have the ultimate authority.

The project manager should tap Departmental resources through designated Departmental contacts who have the expertise and clout to provide support, as needed, in the way of research, writing, mailings, printing materials, soliciting the support of organized groups, and Congressional Relations. Finally, the project manager should have the support of a full-time staff assistant to help him in carrying out the day-to-day activities, coordinating the communications activities and following through to ensure the White House and Departmental support occurs as expected.

Constituent Group Project Managers. The constituent group project managers' primary responsibility would be communications. They would have substantive responsibility, however, on those issues pertaining solely to their constituent groups. For example, Whitaker would have responsibility for determining White House posture on a corn price support program, but the project manager for the Spanish-speaking would not have final authority over health or welfare issues. Naturally, the substantive issue project managers will be required to consult the constituent group project managers on issues having substantial impact upon their constituents before final decisions are made. Conversely, it will be the responsibility of the constituent group project manager to inform the substantive issue project managers which questions appear most important to them.

The objective for the constituent group project manager will be typically to maximize the President's support within the target constituent group, particularly in key States. Since the campaign organization is also organizing by

constituent group, there must be close collaboration between these two operations. For example, the campaign constituent group directors should send copies of all memoranda to their counterparts on the White House staff and vice versa. Also, to avoid confusion and duplication of effort, there should be a clear division of responsibility between the two operations.

The campaign should focus on the field organization and get-out-the-vote activities. This will include identifying potential voters for the President, ensuring they are registered, motivating those that are uncertain to vote for and the President, ensuring that those favorable for the President get out to vote. Naturally, this organizational work will involve developing literature targeted for these groups, obtaining appropriate spokesmen to address organizing rallies and political events, and making suggestions on Presidential statements and appearances. The latter group of activities should be coordinated with or channeled through the White House project manager.

The White House project managers will have responsibility for a broad-based communications campaign designed to inform the constituent group of what the President has done to benefit them and to ensure that the President and the entire Administration is portrayed as favorably as possible to the group. To carry out this mandate, the project manager will need to work with the White House communications staff. An individual on the communications staff should be designated to provide needed support to the project manager. As with the substantive issue project managers, the communications staff should be closely consulted with by the project manager, but the project manager must

retain final authority. Departmental support (e.g., documentation of achievements, support for feature stories, producing radio and TV actualities, conducting mailings, etc.) should be obtained through the White House Communications Office. In addition, the project manager should have the assistance of a full-time staff member to handle day-to-day dealings, ensure that White House and Departmental support comes through as requested, and work with Pat O'Donnell to schedule speakers for constituent group events.

Clear Direction and Accountability for Performance

To maintain direction and a sense of urgency in the face of the day-to-day White House activities, the project managers must be given clear direction and their performance must be reviewed critically on a regular basis. This should be the responsibility of John Ehrlichman and Ken Cole. Consequently, neither of them should assume a project manager responsibility. This feedback should consist of guidance on planned actions and evaluation of results achieved.

Guidance on Planned Actions. Each project manager should develop a strategy statement consisting of (1) specific objectives to be achieved, (2) a timetable of major events focusing public attention on the issue or constituent group, and (3) a general description of how the objective is to be achieved. (A check list of items to be considered is attached.) This long-term view should be supplemented by a monthly plan outlining specific actions to be taken. These should be reviewed by Ehrlichman and Cole and constructive feedback given.

Evaluation of Results. Each project manager should submit monthly reports of results achieved versus plan along with a general evaluation of

progress. These also should be critiqued by Cole and Ehrlichman.

DEPARTMENTAL ISSUES

Issues assigned to the Departments will be managed by the White House but not operated on a day-to-day basis. These will involve only substantive issues and no constituent groups.

For each issue, the assigned Department will be required to designate a project manager along the lines of the project managers for substantive issues within the White House. These project managers will be held accountable for both the substantive and public relations aspects of the issues for which they are responsible. On the substantive aspects of issues, the Department project managers will be responsible to the Domestic Council following normal procedures. Monitoring the Departments' public relations on these issues will be the responsibility of the White House Communications Office. This will ensure that the departmental project manager has the needed communications support and that the public relations program is professionally devised and executed.

* * *

Once the issues have been assigned and the above procedures approved, Bob Haldeman should take the lead in implementing the program. He should call a meeting of the officials affected and make clear his commitment to making it work. At this meeting a briefing should be given on the project managers' responsibilities and authority and the project managers should be introduced so no confusion over who is accountable for what will occur. Also, the Cabinet should be given a briefing on the project manager concept and the Departmental issue assignments to ensure they understand the program and to give it their full support.

December 23, 1971

ATTACHMENTPOLICY CHECK LISTI. Decide on the Goal

- A. Is it to keep the President from being attacked?
- B. Can the President be positioned favorably?

Questions to be asked

- 1. Who is affected?
- 2. Where do they live?
- 3. Are those affected likely to be for or against the President?
- 4. Do we need their support to win?
- 5. If they are generally our supporters, is our program likely to appeal to them?
- 6. If at will, do they understand it and do they have a favorable image of the President's action?
- 7. If they aren't giving the President credit, would they if they understood the program?
- 8. If no, could we change our program and thereby gain their support?
- 9. Who is our opposition from?
- 10. What power base does our opposition operate from?
- 11. What is the disposition of the National media to the issue?
- 12. What is the disposition of the Congress?
- 13. What is the disposition of the conservatives?
- 14. Does the issue have an effect on the general public?
- 15. Will our action or the action of the opposition be viewed in a positive or negative light by the general public?

II. What are the policy parameters for the issue?

Questions to ask

1. What are the principles of our program - the key points in priority order?
2. What is the minimum we will take?
3. What is the maximum we can accept?
4. What points do we consider bargainable?

III. What is our press plan?

IV. What is our special interest plan?

V. What is our Congressional plan?

VI. Who are the key players in III, IV and V above?

VII. What legislation is currently pending?

- A. Who is for the legislation?
- B. Who is against the legislation?
- C. What is the Administration's position on it?
- D. Will this legislation have any chance to move?

CONFIDENTIAL

DISCUSSION DRAFT

CAPITALIZING UPON THE EXECUTIVE BRANCH

In the forthcoming election President Nixon has a unique advantage available to no other candidate -- control of the Executive Branch.

This paper suggests steps to use the resources inherent in this control to the greatest possible political benefit of the President.

The White House has already initiated Administration-wide programs to derive greater White House operations direct activities in political benefit from grants, communications, and personnel, also, White House project managers and constituent groups will soon be established to handle key issues. These efforts should prove productive and should continue undisturbed.

In addition, the White House should take steps to ensure the day-to-day program administration and operations in the Departments* are conducted in a manner to moving support for the President's reelection. Undoubtedly, many Departmental officials would do this without direction from the White House. Nevertheless a White House directed program would:

- (a) give desired emphasis to the effort
- (b) clarify the type and degree of action which would be most beneficial
- (c) enable performance to be monitored, and
- (d) establish a mechanism to quickly change priorities or add activities as required by the campaign.

* Major Agencies such as VA, SBA, OEO, GSA and EPA should also be included.

The essential purpose of Departmental politicization programs is to insure that day to day Departmental program development, implementation and administration are conducted to support the President's reelection. Since it would be impossible for the White House to directly control all the possibilities for this type action; the Departments should assume this responsibility under the guidance of the White House.

DEPARTMENTAL PROGRAMS

A Departmental task force of politically reliable Assistant Secretaries and sub-Agency Heads should be established under the direction of the Under Secretary and be given responsibility for insuring the Department takes all possible actions to support the President's re-election. While each Departmental task force would be expected to take any actions which carries out the general charge, each Department would be expected to (1) conduct an educational program for loyal appointees outlining what is expected of them and (2) develop a comprehensive plan outlining the intended actions.

Educating the Departments

A major problem to be overcome is the general insensitivity to political needs. To combat this problem a series of briefings for loyal appointees should be held shortly after the President announces for the New Hampshire primary. They would cover the following:

- The political outlook and strategy in general terms, including key states and voting blocks.
- General division of re-election responsibilities between the campaign organization, the RNC, and Administration political appointees.
- Actions for political appointees to take:
 - Carry out the President's re-election strategy in day to day activities.
 - Contribute to Departmental plan (discussed below)
 - Cooperate with grantsmanship, communications personnel and issue management programs.
- Brief discussion of White House organization which will guide and assist and monitor results.

To minimize the risk of direct public association of these meetings with the President while still penetrating into the Departments, the briefings should be conducted in a three-stage process:

- Stage 1 Mitchell and Ehrlichman brief the Department Secretaries and key Agency Heads at a Cabinet meeting. Only the politicization program would be discussed since the other material has already been covered.
- Stage 2 Under Secretaries, and Assistant Secretaries and sub Agency Heads would be briefed at meetings hosted by the Cabinet officer or Agency Heads with briefers supplied by the campaign and the White House.

Stage 3 The Assistant Secretaries and sub Agency Heads, at their discretion, would then hold similar briefings for loyal lower level political appointees, including regional personnel. These sessions would draw on White House and Departmental resources as necessary.

Having been informed on general terms of how they can support the President's re-election, the loyal appointees will be expected to take appropriate action on a day to day basis. To further stimulate this activity and to coordinate the Department wide effort, comprehensive action plans should be developed.

Developing Departmental Action Plans

The politicization task force should inventory all the possible ways to support the President's reelection and then develop comprehensive action plans for carrying these out.

The following questions give a rough idea of what these plans might cover:

- What will be the significant issues (other than those already identified and assigned by the White House) and how will the Department handle them to posture the President correctly?
- What major actions (both with and without budget adjustments) will the Department take to significantly increase (1) the President's re-election chances in key States and (2) the President's popularity with key voting groups?

- What actions will the Department take to obtain the support of organized groups affected by the Departments?
- What actions will be taken by the Department Heads to motivate day-to-day support within the Department for the President's re-election?

While the above questions are very general and need considerable refinement, planning along these lines would get Department officials to think in specific terms about what they can do to support the President and commit themselves to doing something. For example, GSA might undertake the following:

- Emphasize building construction in key States, cities and counties.
- Expedite disposal of property for parks and schools in key States.
- Emphasize duel/fuel program in ecology minded areas of key States with less emphasis elsewhere.
- Emphasize minority procurement program in those States and areas where we really have an opportunity to win some of the minority vote.

While there would not be a specific format, three items of information would be required for each planned activity: (1) what would be accomplished in specific, measurable terms; (2) when it would be accomplished by and (3) which Departmental official (Assistant Secretary or sub-Agency Head) is responsible for results.

Once the plan is reviewed, refined and approved, the Departmental Task Force would have the responsibility for carrying out the plan and insuring in general that Departmental actions are supportive of the President's re-election. To maintain pressure for following through on the program, the Under Secretaries would be required to develop monthly reports summarizing progress on plan and other key actions taken in direct support of the President's re-election.

WHITE HOUSE CONTROL

Although each Department would have responsibility for developing and implementing its own program, the White House would monitor its effectiveness. For example, the appropriate White House staff members (in most cases Domestic Council Assistant Directors) should participate in the Departmental planning to assure it is thorough and imaginative. The completed plans would be reviewed by a White House group chaired by the Domestic Council member and containing representatives from those organizations affected by the plan (e.g., the campaign, Organizational Liaison, the Communications Office, the White House Personnel Office, etc.), and the Department would be directed to make changes as deemed appropriate.

Follow-through would be the prime responsibility of the Domestic Council member. He would review monthly progress reports and would follow through with the Departments on missed opportunities or on changed priorities.

MINIMIZING ADVERSE PUBLICITY

Trying to pressure "non-political" civil servants to partisanly support the President's re-election would undoubtedly become quickly publicized and backfire. Consequently, the strategy contemplated in the above program is to work through the top and medium level political appointees who can exercise control over most of the major Departmental decisions and actions. Even with this limited approach, we could generate unfavorable publicity. Consequently the following precautions should be taken to prevent leaks:

- All the Departmental actions should be construed as being taken at the initiative of the Department Head.
- No one should have access to the written complete Department plan below the level of the Under Secretary. (Particularly the staff documents used in developing the plan and for reporting progress should be tightly controlled.) Naturally, each participant, Assistant Secretary and sub-Agency Head would have a general understanding of the overall Department effort and be held accountable for results in his individual area.
- Department progress reports, both internally and in the White House, should be on a verbal basis.

In spite of these precautions there could be some unfavorable publicity but this possible drawback is miniscule compared to the probable payoff from effectively capitalizing upon this unique asset. Astute orchestration of the executive branch operations can be of immense political value to the President. Undirected, the Departments' efforts would be at best incomplete and unfocused. If the proposed administration wide effort is effectively implemented, it could be instrumental in reelecting the President.

December 23, 1971

MALEK EXHIBIT NO. 7

Bof 958 Camp David

4/24

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

April 28, 1972

MEMORANDUM FOR:

FRED MALEK

FROM:

FRANK HERRINGER

SUBJECT:

Responsiveness Briefing of Mitchell

Attached are proposed talking points for the briefing of the AG on the responsiveness program.

I recommend that the briefing be held after we have had at least some of the Cabinet Officer meetings so that we can tell the AG that the program is well underway.

Agree Disagree

You should handle the briefing.

Agree Disagree

Gifford should be there because of his grantsmanship involvement.

Agree Disagree

I should be there because presumably my role as Administration Controller will include reporting on the effectiveness of the responsiveness program.

Agree Disagree

Stan should be there because he is to "coordinate" the responsiveness program.

Agree Disagree

In addition, I think that Rob should attend the briefing. He will have as much involvement in the program as Stan, and should not be made to feel like a second-class citizen.

Agree Disagree

This would make it a five-on-one meeting, which can make the "one" uncomfortable, or result in excessive formality. You know Mr. Mitchell -- if you think the participation should be cut back, I would recommend cutting Rob, Stan, myself and Gifford in that order.

Attachments also.

We'll invite Magruder & La Rue

DRAFT - CONFIDENTIAL

April 28, 1972

JOHN MITCHELL BRIEFING

ON RESPONSIVENESS

Potentially, one of our most significant advantages over the opposition is the incumbency -- if it is used properly.

Consequently, we are taking several steps to ensure that the Executive Branch is as supportive as possible of the re-election effort.

-- You already know about Bill Gifford's excellent work on grants.

-- We would like to take a few moments to explain a new program

that is in the process of being launched -- we call it the "responsiveness program.

PROGRAM DESCRIPTION

The objective of the program is to get the Departments (on their own initiative) to allocate available resources in a manner supportive of the re-election.

As a preliminary step, Bob Marik and his staff developed specific geographic and voting bloc groups priorities.

-- Bob produced a detailed analysis of each key State, pinpointing counties and constituent groups that will be pivotal to the re-election effort.

-- Wherever possible, Bob obtained inputs from the State RN Chairman, Senators and Congressmen, and Constituent Group Project Managers, so that the State analyses reflect practical judgments, as well as demographics.

- Once we had this information, I held meetings with each Cabinet Officer and a key contact in each Department.
- At these meetings, I first described the political priorities as developed by Marik.
- Then, I asked each Cabinet Officer to conduct a review of all non-policy actions that the Department intended to take between now and the election which could have an impact on the key areas and/or groups.
- After completing this review, each Department is to prepare and submit to us a brief outline report describing what they intend to do to support the re-election, including:
 - Identification of actions that could have a major impact on a key area or group, and proposed changes to enable actions to impact on higher priority areas or groups, or changes to postpone negative repercussions.
 - Steps to be taken to maximize the exposure of positive actions, minimize the exposure of negative ones, and ensure that the President receives credit for favorable results.
 - Proposals for eliciting favorable reactions from particular groups that the Department relates to -- veterans, doctors, teachers, etc.
 - A program for communicating the political priorities to loyal Regional Directors, and a follow-up process to ensure that the Regions are responsive to the needs of the voting bloc and other

organized groups, and also are giving the President sufficient exposure.

We should be receiving these plans in the next two weeks.

BENEFITS

We believe this program will result in substantial benefits.

-- It will force the Departments to think in terms of actions directly supportive of the re-election.

-- It will ensure that Departments have a common understanding of the political priorities as we see them.

-- It will establish a channel through which we can communicate to the Departments as the campaign develops.

This last part -- the establishment of a communications channel -- may prove to be extremely important.

-- Even though our people have no specific knowledge of the program, we are beginning to get requests from the field and voting bloc groups for politically sensitive actions by the Executive Branch.

For example:

- Lyn Nofziger wants the Department of Labor to use Emergency Employment Program funds to hire politically reliable Blacks throughout California.

- Paul Jones wants favorable action on an HEW grant for James Farmer that would enable Farmer to have time to speak in support of the re-election.

- Dan Todd wants HUD to release additional model cities funds to support a project for elderly Chicanos in California.
- These requests come to me, and I have a member of my staff research them to see if the requested action is feasible and desirable.
- If it is, Bill Gifford is asked to work with the Department to get it done.
- This seems to be an effective way of operating, and I would like to see it continue, and even expand.

NEXT STEPS.

- * In summary, we think the responsiveness program is a potentially valuable way of utilizing the resources of the Executive Branch to support re-election.
- * To improve its effectiveness, the existence of the program should be made known to key people here at 1701, and they should be encouraged to identify ways in which the Departments can be made more responsive.
- I have already taken steps to inform the Constituent Group Project Managers.
- If it is agreeable to you, I would also like to hold meetings with Jeb and each of the Individual State Coordinators to explain the program to them.
- * The only significant drawback to the program is the danger of a leak -- we have taken several steps to minimize this danger in our contacts with the Departments.

As far as the Campaign Committee is concerned, all communications concerning the program should be verbal, and the White House involvement should be known only to a limited number of people.

From time to time, I will keep you posted on our progress in this and other efforts to effectively utilize the incumbency in support of the re-election.

MALEK EXHIBIT NO. 8

THE WHITE HOUSE
WASHINGTON

June 24, 1971

Note for:

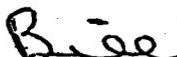
Bill Gifford

Peter Millspaugh ✓

Attached are redrafts along with your copy of the first draft.

Sorry again for the delay. When I redrafted, there appeared to be substantial holes which I have tried to fill.

I did not include a discussion of the papers on Federal benefits to States because it did not seem to fit in logically with the rest of the material. The paper idea can be covered with Shultz and Rumsfeld separately.


Bill Horton**Attachments**

THE WHITE HOUSE
WASHINGTON

6-25

Harry Flanney

This is the OMB
proposal - it could be
very important! Pl.
read carefully and
maybe discuss w/ Deb.
(he is getting a copy). ▽

8350

July 3, 1971

MEMORANDUM FOR HARRY FLEMMING

FROM JEB S. MAGRUDER

Enclosed is a proposal Bill Horton drew up with the assistance of Bill Gifford, OMB, and Peter Millspaugh. As you can see, they are including the political input that you will be able to provide them with. If there are changes you feel should be made please transmit them to Millspaugh or Horton.

Enclosure

July 3, 1971

CONFIDENTIAL

MEMORANDUM FOR THE ATTORNEY GENERAL

SUBJECT: Grantsmanship

Enclosed is a copy of a proposal to insure that the President and his Congressional supporters get proper credit for Federal Government programs. This proposal was written by Bill Horton in Fred Malek's office with the assistance of Bill Gifford, OMB, and Peter Millspaugh in Harry Dent's office.

If implemented this should be an effective method of insuring that political considerations are taken into account.

JEB S. MAGRUDER

Enclosure

JSM:ger
JSM Chron
JSM AG file

CONFIDENTIAL

CONFIDENTIALDISCUSSIONDRAFTCopy 2

COMMUNICATING PRESIDENTIAL INVOLVEMENT
IN FEDERAL GOVERNMENT PROGRAMS

The President has shaped the Federal budget and has established policies guiding the awarding of grants and contracts.* The President, therefore, and his Congressional supporters should receive due credit for the benefits accruing to the public under Federal Government programs. In addition, the President's direct control over awarding selected grants should be strengthened to ensure that political circumstances can be considered, if appropriate, in making awards.

Consequently, procedures should be established to fulfill the following objectives:

- Ensure special consideration is given to politically important grants and OMB operating decisions
- Ensure the President receives due credit for favorable Federal Government decisions and actions
- In complement with the President's campaign strategy, assist targeted Senate and Congressional candidates through announcements and close liaison.

While OMB awards some major grants (principally large water and construction projects), the Departmental approved grants account for the vast majority of funds spent. Consequently, an OMB-Departmental network and operating procedures must be established to fulfill the above objectives. This paper discusses how the proposed network and procedures would fulfill the objectives and then covers implementation steps.

ENSURING SPECIAL CONSIDERATION

To ensure politically sensitive grant applications receive appropriate consideration, two basic steps must be carried out: (1) determine which grants are politically sensitive and (2) ensure these grants receive positive consideration from OMB and the Departments. **

*Hereafter the term grants will be used broadly to include contracts as well.

**The term Departments refers to the nine domestic Departments and the major Independent Agencies. Special provisions will have to be made for State, Defense, and the Post Office.

DETERMINATION OF POLITICALLY SENSITIVE GRANTS

This step should be accomplished in a manner which minimizes the risk of unfavorable publicity and falsely raised expectations. Therefore the possibilities of surveying all pending grant applications or soliciting the opinion of Congressional and local Nixon supporters were rejected.

Identification through routine contacts. Identification should rely on routine contacts with various White House and campaign officials. For example, supportive Senators and Congressmen usually inform the Congressional Relations staff of pending grants which are politically important to them. State and local representatives contact various White House officials in a similar manner. All these inputs should be passed along to Gifford for consideration by the grant coordination group. Based on past experience, the most politically important grant applications are usually brought to the attention of White House or campaign officials. However, especially important localities where no appropriate grants seem to be in process will be checked in the grant initiation process covered below.

This identification process will generate more grants than could be or should be given special consideration. Consequently, priorities must be set.

Grant coordinating group to select "must" grants. Designation of "must" grants should be made by a grant coordinating group consisting of Bill Gifford as Chairman, Bill Timmons, Harry Dent, and Harry Flemming. This group would ensure the most recent political information and campaign priorities were considered in selecting "must" grants. This group should also have other responsibilities as discussed subsequently.

Initiating grants. In addition to designating must grants from pending applications there may be occasions in which political circumstances require a grant be generated for a locality. Once such a locality is identified by the campaign organization, the coordinating group would decide what kind of grant would best meet the needs and available program resources. A campaign representative would then inform the appropriate local official what to submit. When submitted, it, of course, would be designated a "must."

ACTION ON "MUST" GRANTS

Once a grant application is designated a "must," there are two ways to obtain its approval, depending upon whether the grant decision is made at the OMB level or at a Department.

OMB decisions. Since the OMB approved projects are typically line items in the budget, decisions must be made on them this fall. Consequently, after a

preliminary screening by Gifford, the grant coordinating group should review the project requests to identify the politically most important. Gifford will then ensure those identified are among those approved.

In addition to the major project decisions, Shultz also makes many routine management decisions affecting Federal Government operations. Although routine to the Federal Government, some are terribly important and politically sensitive to specific localities. For example, the move of a Federal office from one city to another may be routine on its face but have severe political implications. It is understood that Shultz has already established a procedure to be provided with political input in the making of such decisions.'

Departmental grants. Gifford must rely on the Departments to follow through on "must" grants under their jurisdiction. To accomplish this, a network of Departmental coordinators should be established. These individuals must have two prime qualities: (1) loyalty to the President and sufficient authority to ensure "must" grants are approved and Departmental announcements of all grants conform to the guidelines discussed subsequently. Consequently, these coordinators should be at the sub-Cabinet level. These individuals would not, of course, be expected to personally perform the function. They would be held responsible, however, for achieving the desired results and informing Gifford.

Dealing with the Departments. Gifford must be flexible on pushing a "must" grant in case it turns out to be substantively irresponsible or an obvious waste of government funds relative to other pending grants. In such cases, Gifford should weigh the substantive drawbacks and risk of adverse publicity against the expected political benefits, consulting with others as needed. He should then make a final decision on whether the grant is to be approved. Also, in order to minimize the risk of embarrassment to the President, the volume of grants designated "musts" in any one Department should be limited. Gifford should make these judgments on a month-to-month basis, drawing, naturally, from the grant coordinating group and the Departmental contacts.

ENSURING POLITICAL BENEFIT IS GAINED

Once grant decisions are made, they should be announced in a way to ensure appropriate credit is given to the President and Nixon Congressional supporters in key races. Needless to say, this principle should apply to all grants, not just "musts." Also, politically sensitive Departmental liaison with candidates can be very helpful. Procedures to capitalize upon these opportunities and monitor results are discussed below.

GRANT ANNOUNCEMENTS

Grants will be announced both at the White House and the Departmental levels.

White House procedures. The major and politically most important grants should be screened for possible announcement by the President and White House spokesmen (e.g., Finch, Rumsfeld, Klein) traveling on behalf of the President. There would be three sources of such grants: (1) the major water and construction projects decided by OMB, (2) the roughly 200 pending Departmental grants per month of \$1 million and over which are routinely reported to the White House 24-48 hours prior to planned announcements and (3) "must" grants approved by the Departments. This screening would be performed by Gifford. To guide him, screening criteria would be developed by Chapin and the grant coordinating group and then reviewed by Haldeman and Mitchell.

Close coordination will be required between Gifford and Chapin to ensure the President derives maximum benefit from grant announcements. Gifford should continually inform Chapin of grants which may be desirable for the President to announce. (If Presidential involvement in a grant announcement is rejected, Gifford should be informed as soon as possible so he can line up another appropriate announcement procedure.) Also, Chapin should keep Gifford informed of planned Presidential trips so that grant announcements pertaining to the areas to be visited can be lined up for possible announcement in conjunction with the President's visit. Similarly, Gifford should coordinate closely with the White House scheduling operation to match grant announcements with trips planned by senior Administration spokesmen.

Naturally, White House level announcements should be coordinated with the applicable Department coordinator and, as appropriate, the relevant Senators, Congressmen, and candidates. It would be Gifford's responsibility to ensure this coordination takes place.

Department announcements. The vast majority of announcements would be made through the Departments under the control of the designated coordinator. To ensure these announcements are made in a manner consistent with the campaign strategy and priorities, announcement guidelines should be developed by the grant coordinating group and, after review by Haldeman and Mitchell, followed by the Departmental contacts. These should build upon the procedures already established by Congressional Relations and outline for each State and target Congressional district specifically how grants should be announced. For example, they would cover such questions as how to handle a target Congressional district with a Democratic incumbent or division of announcements between Senate and Congressional candidates. Naturally, these guidelines should be updated periodically as campaign priorities and alliances shift.

In developing and establishing these guidelines the assistance of the Republican Senate and Congressional Campaign Committees should be sought. For example, in 1970, a representative of the Senate Campaign Committee did an excellent

job of obtaining the approval of non-candidate Senators in allowing favorable information to flow to the Senatorial candidates from their States.

DEPARTMENTAL LIAISON WITH KEY CANDIDATES

Besides grant announcements, the 1970 experience showed the Departments can help candidates significantly simply by exercising politically sensitive liaison. For example, progress reports and prompt status checks can assist a candidate during the course of a campaign even though a final decision cannot be announced. Expediting a favorable decision can be helpful. Conversely, as the primaries and general elections approach, delaying unfavorable decisions will also be important politically.

Such specialized assistance can only be devoted to a small number of key Senatorial and Congressional candidates. These should be identified by the campaign organization and communicated to the Department contact by Gifford. The Departmental coordinator should designate an individual to be the liaison with candidates and provide the clout to help him operate effectively.

MONITORING EFFECTIVENESS

The effectiveness of the operation at the White House level will be readily apparent. To monitor the Departments' effectiveness, either the President's campaign committee or the Republican Senate and House campaign committees should periodically survey the staff of each key candidate on the quality of assistance given by each Department. If a Department shows a pattern of poor assistance or political errors, Gifford should inform the Departmental coordinator and ask him to take corrective action.

NEXT STEPS

If this general approach is approved, it can be implemented informally for the most part. However, two actions are also necessary. These are: (1) inform the Departments and Agency Heads about the program and establish the contacts, and (2) provide staff assistance for Bill Gifford.

Informing the Departments. At a Cabinet meeting soon, there should be a brief presentation about the project's objectives and procedures. Ideally it would be given by Shultz. Also, Gifford would be present and introduced as the President's project coordinator. The President should make clear that he endorses the project and directs it to be carried out as outlined. The Department Heads would be told to designate appropriate individuals at the Under Secretary or Assistant Secretary level who will be responsible for results and to ensure these individuals have the necessary authority and staff to carry out their mandate. Subsequently, Shultz and Gifford would have a meeting with the Departmental designees to ensure they fully understood the program and what was expected of them.

Providing Staff Assistance for Gifford. To carry out his responsibilities, Gifford must be assisted by a well-qualified professional with appropriate secretarial assistance. This individual's prime responsibilities would be monitoring the Departments' follow-through on "must" grants, coordinating the release of major OMB and Departmental grants announced by the President or White House spokesmen, and monitoring the effectiveness of Departmental announcements and candidate liaison.

William L. Horton
June 23, 1971

MALEK EXHIBIT NO. 9

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

~~CONFIDENTIAL
EYES ONLY~~

June 23, 1971

TO: Harry Flemming
FROM: Peter Millspaugh

Second meeting on resources was held Tuesday, June 8, and attended by Flemming, Millspaugh (W.H. - Political), Gifford (OMB - Schultz), Nidecker (W.H. Congressional Liaison), Lissy (State) and Mastrangelo (HEW).

Inventory of patronage items submitted by members was discussed. Decision was reached to concentrate initially on a program utilizing this Administration's Presidential appointees. The basic objective of the program would be to carry the message of the President's good works out into the states, cities, towns and communities through these appointees as his Ambassadors. Set up properly, it was felt we could greatly maximize the impact of this effort by some centralized control over timing, geographic and constituency concentration, issue selection, and speaker-to-audience match-ups. Elements required to set up such a program were analyzed and Millspaugh instructed to draw up a working outline, obtain a current listing of Presidential appointees, and develop some data on the public speaking presently associated with this group.

A need for some research was acknowledged and ideas solicited. Millspaugh was to meet with Mr. Roehmer McPhee to discuss the 1956 White House campaign set-up and consider him for a possible addition to the present group.

Flemming alerted the group to a separate study underway to develop recommendations for an arrangement tying OMB into the campaign. Participants are Millspaugh, Gifford (OMB - Schultz) and Horton (W.H. - Haldeman) and these recommendations are to be integrated into one overall report.

Date of the next meeting would be set by the Chairman.

POINTS FOR DISCUSSION

6/9/71

General Proposition: By virtue of the incumbency, what do we have that can be used, and how do we use it to re-elect the President?

- I. What do we have? (see materials). Is this enough for our purposes, or should we go Department by Department and dig out more specific types of patronage? If so, how shall we proceed? To what extent is it required that the campaign management team be aware of specific patronage items?
- II. What form should this be in to be of most use to campaign? Should we list by Department/Agency? By subject, etc... or maybe cut it a number of ways?

Should we go one step further and attempt to organize it in categories more suited to direct campaign use, i.e., along issue lines, geographically, candidate support, etc.? How would we do this? Who would do?
- III. Could we also come up with separate project ideas developed around the use of the various types of patronage that would augment the campaign nicely? (Looking at our appointees, for example, and the idea we discussed concerning an Ambassador's Club project to develop an elite corps of salesmen to go out and sell the President.) What about a project aimed at incorporating the enormous public information apparatus at our disposal into various aspects of the campaign, etc.?)
- IV. How do we approach the problem of our patronage delivery system? Two requirements for this system would seem to be: (1) deliver on one-shot, short notice requirements, and (2) insure ongoing regulation of outgoing patronage within guidance provided by campaign. Any other? What is best way to structure our system, i.e., charge each Department and Agency with gaining control of all of the Department's outgoing patronage, then centralize that control in the hands of one person who in turn becomes the contact point with the campaign? Once established, how do we condition and discipline the system? What level should we deal at? How should the arrangements be made? Who should do?

THE BASIC TYPES OF PATRONAGE

- 1) Jobs (full-time, part-time, retainers, consultantships, etc.)
- 2) Revenue
 - Contracts (Federal Government as purchaser - GSA)
 - Grants (do-good programs - EDA, Model Cities, NSF (research), etc.)
 - Subsidies (needy industries - airlines, etc.)
 - Bank Deposits (all Federal accounts)
 - Social Need Programs (direct benefit to citizen, i.e., Social Security, welfare, etc.)
 - Public Works Projects
- 3) Execution of Federal Law (resides mainly in Department of Justice whose interpretive power touches every vested interest).
- 4) Information and Public Relations Capacity (a professional (?) public relations office in each department and agency constitutes an enormous public information apparatus).
- 5) Travel (domestic transportation can be provided by law, foreign travel, international conferences, etc. are available).

WHITE HOUSE PATRONAGE

- A. Invitations (White House functions of all types)
- B. White House Tours
- C. Appointment with the President (Vice President and staff also)
- D. Addresses (Vice President and staff also)
- E. Visits (Vice President and staff also)
- F. Correspondence (Vice President, staff; includes direct mailings recognizing accomplishments, graduations, etc.)
- G. Phone Calls (Vice President and staff also)
- H. Endorsements (Presidential or White House generally for events, happenings, organizations, etc.)
- I. Memorabilia and Autographed Photos (includes pens, golf balls, tie clasps, etc.)
- J. Positions or Assignments (occasional full-time positions, summer internships, special White House assignments or missions)
- K. Awards (Presidential, Vice Presidential and White House)
- L. Doors Opened (accessibility to Federal officials in departments and agencies)
- M. Christmas Cards (and gifts)

EXAMPLES OF SOME SPECIAL INTEREST GROUPS
AND
THE FEDERAL DOLLAR *

Farmer (upper and middle class) subsidies	\$ 4.0 Billion
Oil (depletion allowance)	1.5 "
Airlines and Users (subsidies)	1.2 "
Railroad and Shipping Firms (subsidies)	1.0 "
Trucking Firms and Motorists (subsidies)	5.0 "
Construction (private housing)	2.0 "
Suburbanites (interest write-off on taxes)	
Veterans (benefits generally)	7.3+ "

* Source:

To the Victor, Random House, 1971.

MALEK EXHIBIT NO. 10

D mu Kingsley ✓

Date: August 30, 1971
Ordered

MEMORANDUM FOR: DANIEL T. KINGSLEY

FROM: CLARK MacGREGOR

SUBJECT: William Edward Bennett

8/30/71
 A Candidate for Position with the Administration

I. Appropriate Action Executive Level Supergrade /GS 16-18 GS 15 & Below

Departmental and/or functional preference:

IRS
Field of Tax LawIII. Source of Evaluation Known to me personally Known by a reliable source Recommended by individual whose judgment is unknownV. Other Considerations or CommentsII. Ability in Area of CompetenceOutstanding Good Average Poor Unknown IV. Value of Placement to the President PoliticallyHighest political value
 (Must place)High Political Value
 (Place if possible)Moderate political value
 (Handle courteously)Little Political Value
 (Handle routinely)

MALEK EXHIBIT NO. 11

100-140 REC'D

CONFIDENTIALTHE WHITE HOUSE
Washington

Memorandum for:

Al Kaupinen
GSA

May 14, 1973

Subject : Referral of Stuart Weeks
*(Name of Individual)*For a Full-time Part-time Position Summer In response to your vacancy notice of _____
(Date)
for the position of _____

This candidate deserves a:

 Must Courtesy
 High Priority Routine Referral

consideration for a position in your agency. A resume on the individual is attached.

 This candidate should be interviewed.

Please note your disposition on the carbon copy and return by _____

Remarks:

Options: Intern Program
Low level consultancy
Temporary need appointment*Bul*

Bill Lamont

AGENCY ACTION

This candidate

 Is under Active Consideration Was not selected Resume is being kept for further consideration Was selected, position: _____*100-140 REC'D MAY 14, 1973; HANNAH TAKES CHARGE AND GIVES
PENNY LIPSON CONCERNING HER AS CARRIER SHE IS TO BE KEPT*

MALEK EXHIBIT NO. 12

THE WHITE HOUSE

WASHINGTON

November 9, 1971

MEMORANDUM FOR:

Mack Warren

FROM:

Stan Anderson

SUBJECT:

Leslie Cohen

Attached is the resume of Leslie Cohen. Mr. Cohen comes highly recommended to this office and consequently, is rated as a 1 or Must Placement. We would appreciate your investigating the possibilities for him in your department in California. We would also appreciate it if you would keep my office closely informed of your progress on his behalf.

SDA:bmt

Attachment

MALEK EXHIBIT NO. 13

*State Planning - 961**Frank -*

MEMORANDUM FOR:
FROM:
SUBJECT:

THE WHITE HOUSE
WASHINGTON

June 14, 1972

FRED MALEK
STAN ANDERSON
ROB DAVISON
Responsiveness Program

*Down good idea -
please do this & let Stan &
Bob know. Maybe they
could handle it at a
State time to
convene their own time.*

Several days ago you emphasized the need for us to use our ingenuity and imagination in the responsiveness program. We were analyzing the requests that we have received to date and determined that only one State Chairman (Nofziger) had ever made a request through our channels. The reason in most instances obviously is that these State Chairmen are unaware of the program. We don't think we can count on the political coordinators to properly indoctrinate State Chairmen.

As a result, we would suggest that you might want to consider the possibility of including the responsiveness program on the agenda of the State Chairmen meetings when they are in Washington beginning in late June. We would obviously limit these sessions to first and second key priority states.

Ted

MALEK EXHIBIT NO. 14

*Camp David
658*THE WHITE HOUSE
WASHINGTON

June 5, 1972

MEMORANDUM FOR:

H. R. HALDEMAN

FROM:

FRED MALEK *FMM*

SUBJECT:

Results of Meeting at
Camp David

The purpose of this memorandum is to review for you some of the activities which took place at our recent Camp David meeting and to indicate the results flowing from the meeting.

I had two goals in mind for the Camp David meeting: a) to make the Voter Bloc Directors feel more a part of the top-level campaign team and b) to bring closer together the Voter Bloc Director and his counterpart at the White House. Both of these goals were met.

The meeting began at 4:00 p.m. on Thursday, May 25, with a presentation by Bill Novelli on advertising in the campaign. Bill began with an overall view of general advertising campaign strategy, then related the role of advertising to each of the voter bloc groups. Bill's presentation was outstanding and many of the subjects discussed evoked a great deal of discussion from both the Voter Bloc Directors and the White House Project Managers.

After dinner on Thursday evening, I conducted a lengthy discussion on field organization. Fred La Rue was our guest and he did a fine job. During the discussion period we zeroed in on some of the existing coordination problems between the Nixon field operation and the voter bloc activities. This was a very beneficial discussion period.

On Friday morning, May 26, Ann Dore gave a presentation on the development of communication and press plans for the voter bloc groups. Since the development of an overall public relations program is the responsibility of the White House Project Manager, I used this opportunity to discuss the responsibilities of the Voter Bloc Directors and the Project Managers. We had a lengthy and very frank discussion period and I identified some severe problems, and developed action steps to correct these problems. While some real weaknesses still exist, I feel the role of the Director and Project Manager has now been clarified; and there is now greater understanding between these two groups.

The second morning session dealt with administration efforts to support the reelection. Stan Anderson and Frank Herring of my staff presented the various programs we have initiated to make the bureaucracy more responsive and to take advantage of the incumbency to the maximum degree possible.

In the afternoon session Jeb Magruder and I held a discussion on the overall campaign strategy. This session was particularly helpful to both the Voter Bloc Directors and Project Managers. Each participant had an opportunity to ask questions and to comment on the various topics as they were discussed.

All in all this meeting was a huge success. Each participant now has a far better knowledge of the overall campaign direction as well as a better understanding of his responsibilities and those of his counterpart. Finally, it was a great morale boost for all participants, and their gratefulness was quite evident.

Let me close by expressing my deep thanks to you for approving the use of Camp David. In light of the new policy, I am particularly appreciative of your making this exception. I can assure you that it had exactly the desired effect and was enormously helpful.

Attachments

ATTENDEES

Alex Armendariz	Spanish Speaking
Mike Balzano	Ethnic
Howard Cohen	Youth
Bud Evans	Aging
Larry Goldberg	Jewish
Paul Jones	Black
Bill Marumoto	Spanish Speaking
Frank Naylor	Veterans
Bill Rhatican	Veterans
Ken Rietz	Youth
Don Rogers	Labor
Charles Shearer	Citizens
Dan Todd	Aging
Clayton Yeutter	Agriculture

PARTICIPANTS

Stan Anderson
Ann Dore
Frank Herringer
Fred La Rue
Jeb Magruder
Bill Novelli

MALEK EXHIBIT NO. 15

ADMINISTRATION EFFORTS IN
SUPPORT OF THE RE-ELECTION

- Potentially, one of our most significant advantages in the re-election effort is the incumbency - if it is used properly.
- Consequently, several steps are being taken to ensure that the Executive Branch is as supportive as possible of the re-election effort.
 - Some of you already know about Bill Gifford's excellent work on major grants.
 - Other programs are under way to generally improve the responsiveness of the Executive Branch to political priorities; to ensure that the President is properly postured on key issues; and to fully utilize communications and personnel resources.
 - Since each of these programs impacts to some extent on our campaign activities, ~~we~~ thought it would be worthwhile to spend some time reviewing them with you.

GRANTS AND GENERAL RESPONSIVENESS

- First, let's discuss the Grantsmanship program, and the closely related effort to generally improve the responsiveness of the Executive Branch to political priorities.
- Grantsmanship was created to ensure that politically beneficial grants are channeled into high payoff areas.
 - Bill Gifford of OMB is the key White House contact on this program.
 - The program has had two principal thrusts:
 - In a one-shot effort, all major grants and construction decisions for next fiscal year were (72-73) reviewed prior to the finalization of the budgets to ensure that to the extent possible they impacted on politically beneficial areas.
 - On a continuing basis, as other grant opportunities come to our attention, Bill works with the departments to ensure that, if possible, the decision is favorable to the re-election effort.
 - While we were happy with the results achieved by the grants program, we recognized that we were only scratching the surface.

First, the continuing program is completely dependent on us for ideas -- the Departments, who have the real knowledge of programs, play a passive role, reacting only to our requests.

Second, there are a great many areas other than grants in which the Departments can be responsive -- publicity and the use of Departmental speakers are two particularly important examples.

- To prod the Departments into acting on their own in grants and other areas, we have held meetings with each Cabinet Officer in which we have:
 - Told him which states, counties and voting blocs we consider key.
 - Asked him to review his Department's resources and planned activities with the objective of making the positive impact on these by areas.
 - Asked him to sensitize his loyal appointees to the political priorities -- particularly in the Regions.
 - Finally, we asked for a brief plan describing what they intend to do, and told them that we would hold periodic review sessions to check on progress.

- We believe this process will result in substantial benefits.
 - It will force the Departments to think in terms of actions directly supportive of the re-election.
 - It will ensure that Departments have a common understanding of the political priorities as we see them.
 - It will establish a channel through which we can communicate our needs to the Departments as the campaign develops.
- This last part -- the establishment of a communications channel --
perhaps is the most important from our point of view at the campaign.
- Each of you should be alert to opportunities to utilize the resources of the incumbency to improve our position with your constituent group.
 - For example: awarding of a grant, announcing a new project, need for a speaker from a Department, etc.
- When you have a proposal, talk it over with Stan Anderson.
 - To balance workloads, Stan and another member of my staff, Rob Davison, have divided responsibility for these requests (by Departments), but Stan should be the initial contact point.
 - Stan (or Rob) will research the possibilities with the Departments and other concerned parties. *Domestic Council, OMB, etc.*

- If it is agreed that some action should be taken, and departmental action is required, Stan or Rob will talk to Bill Gifford, and he will work with the Departments to get them to act.
- In most cases, you should not be contacting the Departments directly -- it confuses them, and increases the danger of a leak.
 - Obvious exceptions: Yeutter and Todd.

1. Don't stress Gifford so much - doesn't
matter to them - give stronger overview
of fact that we are organized to
gain this responsiveness - also stress
creative use of their people to ~~comply w/ plan~~
2. Let me hit issue mgt lightly

ISSUES

- A third major program that is underway at the White House is the Issue Management program, concerned with ^{putting} communicating the President's position on the key issues ~~as clearly as possible.~~
- Naturally, the first step in this program is to identify what the key issues are:
 - The President, John Ehrlichman, Chuck Colson, and others are putting their heads together, and examining polls, and defining a list -- not yet finalized, but one cut was:
 - Inflation
 - The New Populism (big guy vs. little guy, taxes, bureaucracy)
 - General Unrest
 - Busing
 - Drugs
 - Environment (Pollution)
 - Once this list of issues is refined, each issue will be assigned to a project manager, who will be responsible for developing a program to gain as much voter support for the President as possible on that issue.
 - The project manager will form a team, including persons with substantive, communications, and public relations responsibilities.

- Together, they will develop a plan consisting of:
 - (1) An analysis of the issue and our position on it.
 - (2) Specific objectives to be achieved.
 - (3) A description of how the objectives are to be achieved.
 - (4) A time table for completion of major tasks.
- The plan will concentrate on communications: events for the President and First Family, development of a spokesman program, road shows, etc.
- As a group, we will have a mixed involvement in this program.
 - Many of the White House people here will be members of project teams.
 - Frank and I will keep close to the development of the position and plan on the various issues, and keep you plugged in where the interests of your constituent group are at stake.

PERSONNEL

- *Many* of you are familiar with our ongoing personnel program under the direction of Dan Kingsley.
- Placement of people can certainly be of benefit to us as the campaign develops.
 - We have already solved several serious problems by placing people in full-time jobs outside of their state.
 - This can only be done in high priority situations, but if you have one, let me know and we will see what we can do.
- Part-time positions are more readily available. They come in two categories -- Presidential and Departmental.
 - Departmentals are more numerous.
- These are mostly honorary positions, but can have substantial stroking value.
 - Placing a person on a board or a commission can give you credibility, or be the deciding factor in convincing someone to take on a major responsibility.
- I would suggest that you give this possibility some thought, and try to come up with a list of ten or so persons from your group that you would like to see placed.

- Perhaps the leader of a key organization -- we placed the President of Sons of Italy of Queens on a Traffic Safety Board and he was ecstatic.
- When you have your list, send it to me, in priority order, with biographical data, and Dan will see where they fit.
- All probably will not be placed, but we will do our best on the high priorities.

COMMUNICATIONS

- A final program which may be of interest to you is Communications.
 - We conducted a major study of Executive Branch Communications about nine months ago.
 - We found four major problems (almost universal).
 - (1) President infrequently mentioned in news releases, speeches.
 - (2) No planning ahead.
 - (3) Poor service to electronic media.
 - (4) Poor relations with minority media.
- In a report to the President, we recommended:
 - (1) Increased highlighting of the President.
 - (2) Improved facilities and people (Spotmasters, etc.).
 - with background in minority media.
 - (3) A planning and control system to ensure that they are doing what they should.
- The report was accepted and implemented with spectacular results: a sevenfold increase in mentioning of the President in speeches and news releases since September (including Spotmaster feeds).
- While this does not affect us directly, it may well help the President get re-elected.

MALEK EXHIBIT NO. 16

Departmental Responsiveness
347

June 7, 1972

MEMORANDUM FOR:

H. R. HALDEMAN

FROM:

FRED MALEK

SUBJECT:

Responsiveness Program

The purpose of the attached paper is to report progress on the Responsiveness Program. I will submit further progress reports around the first of each month.

Attachment

~~CONFIDENTIAL~~~~EYES ONLY~~RESPONSIVENESS PROGRAM - PROGRESS REPORT

This report is divided into three sections. The first describes institutional progress for the program in general. The second highlights the specific cases which have arisen as a result of the operation of the program. Finally, actions planned in June are summarized.

INSTITUTIONAL PROGRESS

Thus far, the program is on schedule. I have now reviewed the program with each Cabinet Officer (except Rogers) and with the heads of the key Agencies (ACTION, EPA, OEO, SBA, GSA, and VA). In each session the following was covered:

- Emphasized need to make re-election support the top priority and the need to respond to requests in this regard
- Discussed which States, counties, and voting blocs are considered key and should be targeted by them
- Had them name a top official who would be the political contact for this program (generally the Under Secretary)
- Asked them to educate loyal appointees (including Regional Directors) as to priorities and expectations, thus forming a political network in each Department
- Asked them to review all their resources and develop a plan for maximizing impact of these resources in key areas
- Indicated particular areas in their Departments that require special attention
- Established my office as the channel of communications with the campaign and stressed that we would work solely through Bill Gifford on grant requests

In line with this last point, two members of my staff (Stan Anderson and Rob Davison) have been relieved of other responsibilities to concentrate on this. They have now held follow-up meetings with the Secretary's designee in most Departments to discuss the program in more detail and begin development of the Department Action Plans. These sessions will be completed in the next

few weeks... In addition, I have held follow-up meetings with the top political appointees and with the Regional Directors in several Departments. I will hold additional meetings of this sort over the next few weeks.

The response to date has been fairly good, particularly at the second echelon. The reaction of some in the Cabinet (e.g., Romney and Hodgson) was that they were, of course, already considering political ramifications and there is little more that can be done. Our approach here is to concentrate on the Under Secretary and other Presidential appointees, where the job gets done anyhow. Others, such as Volpe, Peterson, and Butz, have been quite receptive and should be real assets to the program.

We have also briefed key people at 1701 on the program including John Mitchell. Each Voting Bloc Director and Political Coordinator has been asked to search his areas and develop ideas for projects with high political pay-off.

In sum, we are now pretty much on track and have a political network, a receptive atmosphere, staff resources here, and a system to make things happen. Let us now turn to the initial results from our first few weeks' efforts.

SPECIFIC ISSUES

In spite of the fact that we just completed our first discussions with the Departments, we already have dealt with twelve Responsiveness issues. All of them originated in the field and were channeled to us by the staff of the Committee for the Re-Election of the President. A summary of the current status of the issues can be found in Tab A, and the key cases are outlined below:

Three highly publicized Model Cities projects in the Mexican-American section of Los Angeles were not going to be funded because of lack of money and potential conflicts with the black leaders in Watts. The projects included a home for mentally retarded children, a Senior Citizens home, and a media vocational center. HUD has agreed to fund the projects and is formulating a plan so that it can be done without alienating the blacks.

The Department of Labor ruled that Local 454 of the Dock and Wharf Builders Union in Philadelphia, whose steward is an active backer of this Administration, was not responsible for the illegal actions of its President. This action was requested by the Pennsylvania Committee for the Re-Election of the President, and they report that this action had a very strong impact on the local ethnic union members.

- Most groups receiving funds under the Public Employment Program have been very concerned because the action year ends one week before the election. The fear in most big cities has been that there will be a large number of additional unemployed inner city residents on November 1, 1972. Labor is verbally notifying key constituencies that the programs will be refunded at this year's level. This action is very important and should reduce possible tensions.
- We garnered from reliable sources in the Equal Employment Opportunity Commission that the Commission was preparing to sue the University of Texas for discrimination in the hiring of faculty. This could be disastrous in Texas. When queried, Bill Brown, Chairman of EEOC, agreed not to pursue it. I will continue to follow this situation closely.
- The Department of Labor was asked to award a \$2.2 million migrant labor program contract in Texas to a pro-Administration group. Labor had already publicly committed itself to a consortium of anti-Administration OEO/CAP agencies. Labor has reversed its stand.

As you can see, the issues handled to date have been reactive ones in which we have been called upon to solve specific problems. About half of them have been important issues that will impact upon special interest groups in key counties. The remainder have not fallen within our political guidelines. They received courtesy consideration.

FURTHER ACTIONS

During June the following actions are planned:

1. Follow up further with each Department and Agency in the development of their action plans. Review these plans and make modifications where appropriate.
2. Hold additional meetings with top political appointees and groups of Regional Directors to acquaint them with the priorities and ask them to take actions to meet these priorities.
3. Intensify our work with people at 1701, searching for the most advantageous projects. Particular emphasis will be placed on voter blocs in key areas (e.g., Chicanos in Texas).

In addition each Department and Agency will continue to receive updated political information from members of my staff as it is developed at 1701. I anticipate that in the future, the Departments will be able to deal with many of the issues before they reach the problem stage. This should permit them to play a more active and forceful role in the future.

You will receive our next monthly status report the week of July 2, 1972.

RESPONSIVENESS PROGRAM
Week Ending June 2, '72

- HUD - 1 William Meehan, Philadelphia, Pennsylvania; requested 3/29/72.
William Meehan, Republican ward leader in Philadelphia, has requested that his Democratic counterpart, Michael Stack, be prohibited from receiving the substantial compensation he earns as a fee attorney for Fannie May. The impact of such action would not be of great benefit to the re-election. It is not possible for us to significantly change Mr. Stack's earnings as he is a close friend of Congressman Barrett, a member of the key HUD committee that appropriates funds for Fannie May.
- HUD - 2 Neighborhood Development Program, Cleveland Ohio; requested 5/4/72.
Mayor Perk has requested the West Central Neighborhood Development Program Area be funded for \$10 million. The Administration would receive little benefit from funding a new town in Cleveland's inner city. HUD has contemplated removing all funds from the City because of discriminatory housing regulations. This action has been stopped and HUD and Perk will be discussing specific problems in this regard within the next three weeks.
- HUD - 3 Model Cities, Los Angeles, California; requested 4/28/72.
Lyn Nofziger requested that three highly publicized Model Cities projects in East-Northeast Los Angeles (Mexican-American) be funded for \$2 million without alienating the leaders of Watts (Black). There is great potential for the Administration if the projects are funded as stated. The probability of meeting the request is high. HUD is preparing an action plan for funding the projects without causing tension in Watts.
- DOL-1 Local 454, Dock and Wharf Builders, Philadelphia, Pennsylvania, requested 5/10/72.
Herman Bloom, Spector's assistant at the Pa. CRP requested that the subpoenaed records of Local 454 be returned. The Business Agent of the Union is a Republican supporter and could be very helpful to the Administration in impacting the blue collar vote in a key county. The books were returned on 5/23/72 and the Union given a clean bill of health.
- DOL-2 Recreational Support Program, Cleveland, Ohio; requested 5/4/72.
Mayor Perk requested that \$354,000 be given to the City for its summer recreation program. The program is designed to impact inner city residents, and thus does not fall within our political guidelines. Parts of Perk's request are outside the scope of DOL's program, therefore the City will receive only \$164,000.

- DOL-3 Neighborhood Youth Corps, Cleveland, Ohio; requested 5/4/72.
 Mayor Perk requested that his office, as opposed to the City School Board, be given the responsibility for overall management and fiscal control of this program. The program hires inner city youth for summer jobs and would have no special impact on the re-election. Perk has been told by DOL that he can have the responsibility if he wants it. He is now reconsidering his request, given minimal benefits for a great deal of work.
- DOL-4 Public Employment Program, Cleveland, Ohio; requested 5/4/72.
 Mayor Perk requested that the program be refunded for \$6.5 million in the next action year. There would be very little additional impact by creating additional jobs for inner city workers, but there could be significant negative impact if the existing jobs were not refunded (\$3 million). DOL told Perk that the program would be refunded at \$3 million; he seemed pleased.
- DOL-5 Public Employment Program, California; requested 5/10/72.
 Lyn Nofziger requested \$2.1 million in additional PEP funds for this action year to hire and reward 225 minorities (blacks) who have supported the Administration. The potential of the program is low to medium, given that the people to be rewarded do not represent voting blocs that we could significantly impact. However, rewarding them might ease some existing black tensions. It is doubtful if there are any remaining funds for this action year, although DOL is checking. Nofziger was told that the program will be refunded at this year's level.
- DOL-6 Migrant Program, Texas; requested 5/24/72.
 Senator Tower's office requested that the \$2.2 million migrant worker program grant be given to the pro-Administration Lower Rio Grande Valley Development Council as opposed to the consortium of OEO CAP agencies. DOL has already announced that the OEO groups have the best proposal. If the Development Council were to receive the grant, there would be a significant plus for the Administration, as OEO's negative voice would be silenced, and the Council's positive feelings towards the Administration could be stressed. DOL has told Tower that the grant will be awarded to Tower's choice. Tower will confirm his decision this week.

- SBA-1 District Director, SBA, Los Angeles, California; requested 5/26/72.
Lyn Nofziger requested that Hilliard Ham, a black newspaper publisher, be named District Director, SBA, Los Angeles. If appointed, the potential impact is low, as Ham does not represent a key California constituency. Seventeen of the California Congressmen have agreed that the job must be filled by someone meeting all the substantive qualifications. Ham did not qualify. SBA may create a highly visible job for Ham in the Regional office that better suits his background. SBA will let us know prior to June 9.
- EEOC-1 EEOC suit of The University of Texas.
Senator Tower was informed by Vice Chairman Holcomb that Ed Pena, Director of Compliance, had recommended to Bill Brown that EEOC sue The University of Texas. Brown appeared to agree. If such a suit took place, the result would be a serious negative impact in a key state. Brown denies that the suit is under consideration. This should be followed carefully.
- DOT-1 Interstate 90, Cleveland, Ohio; requested 5/4/72.
Mayor Perk requested that we expedite construction of Interstate 90 within the City of Cleveland. Undersecretary Beggs, the Secretary's designee, has been too busy with TRANSPO to discuss the issue. Meeting scheduled week of June 5.

MALEK EXHIBIT NO. 16-A

March 29, 1972

CONFIDENTIAL

MEMORANDUM FOR: Frederic V. Malek
FROM: Harry S. Flemming



Our Pennsylvania Committee for the Re-election of the President has brought to our attention that Michael Stack, a Democrat Ward Leader, last year earned \$58,000 in mortgage foreclosurer from Fannie May. Mr. Stack happens to be the ward leader in the same ward as William Austin Meehan, who is the Republican leader in Philadelphia. Meehan can't understand why the type of work that Stack is doing has to be given to a Democrat ward leader who is working against our interests. Perhaps a qualified Republican could be found who could handle Fannie May business in that particular area. Any help your office can give rectifying this situation would be helpful.

MALEK EXHIBIT NO. 17

[157- Penn]

COMMITTEE FOR THE RE-ELECTION OF THE PRESIDENT

MEMORANDUM

May 1, 1972

TO FRED MALEK
FROM AL KAUPINEN
SUBJECT LABOR PROBLEM IN PENNSYLVANIA

Mr. Herman Bloom, Arlen Specter's assistant with the Committee for the Re-election of the President in Pennsylvania, has had some problems with the Department of Labor. Could someone in your office call Herman Bloom to assist him with this problem.

MALEK EXHIBIT NO. 18

AFFIDAVIT

I, William H. Brown III, of the District of Columbia, depose and say:

1. That I am the Chairman of the Equal Employment Opportunity Commission and have served in that capacity since May 6, 1969;
2. That as a member of the Equal Employment Opportunity Commission, I have the authority to file "Commissioner Charges" against any respondent who may have violated Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972;
3. That the confidentiality provisions contained in Sections 706 and 709 of Title VII, prohibit any officer or employee of the Equal Employment Opportunity Commission (including myself) from making "public in any manner whatsoever any information obtained by the Commission pursuant to its authority...."
4. That because of the above-referred to confidentiality provisions, I am prevented from making public information regarding a specific respondent or potential respondent;

5. That this affidavit is addressed to certain questions raised by members of the Senate Committee regarding a proposed Commissioner Charge against a certain respondent;

6. That the question has been asked as to whether or not any White House staff person or any member of Congress or their staff ever requested that I not sign a particular Commissioner Charge; that the answer is an unqualified No; and that any suggestion to the contrary is untrue;

7. That an inquiry was made some time in early 1972 whether the Commission had instituted suit against this certain respondent; that I do not recall whether the request for information came from a White House staff person or from a Congressional staff member; that I advised the caller that we had not instituted suit and could not under the law since the respondent could only be sued by the Department of Justice; that I further advised the caller that to my knowledge no charges were pending against this respondent; that our Commission could receive charges, make an investigatory finding of cause, attempt conciliation and if it failed, refer the matter to the Attorney General for suit to be instituted;

8. That the records of the Equal Employment Opportunity Commission show that a letter was received from a Spanish speaking organization requesting an investigation of this respondent; that at the time the letter was received, the amendment giving the Commission jurisdiction over this respondent had not become law; that after the effective date of the amendment, I did receive a request to sign a Commissioner Charge against the respondent; that a note written by me requested the charge be held until the Commission could determine if the organization contacting us would file a charge on behalf of those persons they felt had been discriminated against; and that my note indicated that I felt the case could be stronger with them listed as charging party (copy of note attached as Exhibit A).

9. That my files reflect nothing further was done in this matter and that the charge remained unsigned in my files; that I was unaware that the unsigned charge was in my files until the inquiry by the staff members of this Committee.

10. That at no time was I told or requested not to sign a Commissioner Charge either by a member of the White House staff or a Member of Congress or their staff; and that at no time did I ever refuse to sign a Commissioner Charge or conduct an investigation because of outside influences; and

11. That while all five Commissioners are permitted to bring Commissioner Charges against a respondent covered under the Act, I believe the fact is that during my tenure I have signed more Commissioner Charges than the other four Commissioners combined; and that the log which has been furnished the Committee contains three Commissioner Charges assigned to me.

I have read the above statement consisting of three pages and it is true and correct to the best of my recollection and belief.

William A. Beam ^W

*Leora O. Dotson
Notary
November 16, 1973*

EXHIBIT "A"

Equal Employment Opportunity Commission

NOTES FROM THE CHAIRMAN

TO:**DATE:****FROM:**

Sold this case to the
charge until we have
determined whether it has
been filed or not. One and
will file on behalf of the
people who brought
determination against
will be made public.

Transmittal Form

MALEK EXHIBIT NO. 19

AFFIDAVIT
OF JOHN E. CLARKE

STATE OF FLORIDA)
) s.s.
COUNTY OF DADE)

I, JOHN E. CLARKE, being first duly sworn, hereby state:

When Fred Malek moved from the White House Staff to the Committee to Re-elect the President, (CRP), sometime in July of 1972, Dan Kingsley took over Malek's responsibility in the personnel area for the White House and asked me to assume responsibility for liaison between the White House and half the departments and agencies of the federal government. In addition to my liaison responsibilities, I was also to continue recruiting for Presidential appointees and assume responsibility for the Responsiveness Program.

Responsiveness was conceived either by Bob Haldeman or Fred Malek but I am not sure which one. I do not believe the President knew of its existence as I never heard that the President was ever aware of the Program.

I had no real knowledge of or participation in the initial discussions which formed the genesis for the Responsiveness Program. However, when I became active in the Program, I was given responsibility for a number of departments and agencies and Rob Davison had responsibility for other departments and agencies. Included under my responsibility was Office of Economic Opportunity (OEC), Office of Minority Business Enterprise (OMBE), Economic Development Administration (EDA) and General Services Administration (GSA). My responsibility was to assure that the Administration was getting credit for what the Executive Branch was doing. Responsiveness, in essence, was our effort to stimulate the bureaucrats to performing their jobs in a timely and expeditious manner. For example, EDA would never mention the President in its news releases and it was my responsibility to correct that ridiculous oversight. Unfortunately, I cannot recall any specific Responsiveness Programs relative to OEO or OMBE.

The Responsiveness Program generated activity with architectural engineering contract awards by GSA. When contract awards were to be made, which are non-bid awards, the Architectural Engineering Contract Award Board would select 3 to 5 firms who were technically qualified to fulfill the contract and these firms were recommended to GSA. I would then be contacted by Larry Rousch of the GSA and Rousch would give me the names of the firms who were being considered for an award. I would call Lee Nunn at the Finance Committee to Re-elect the President (FCRP) and ask Nunn if the Committee had any preference as to which of the firms should receive the award. It is my understanding that Nunn would then check with various sources on the Hill as well as other political sources who might be affected by the contracts to be awarded and ascertain whether or not there was any preference as to the award. In a day or two, Nunn would call me and state that there was no preference, if there was none, or indicate which firm was preferred if they had a preference. I would relay the message to Rousch at GSA. In relaying the message to Rousch, at no time did I indicate anything other than a preference. This is the extent of my knowledge as to what action was taken on the preferences and there was no structured followup to see whether or not the contract was actually awarded to any particular firm. On occasion, I did ask out of curiosity, whether a particular recommendation had been followed, but usually Rousch would not know. I also recall two specific instances in which Senators Tower and Javits expressed some opinion relative to a contract award by GSA. That opinion was relayed to me by Nunn and I passed it on to Rousch at GSA. I do not know whether the Tower and Javits preferences were given the contracts. On occasion, I believe two occasions to be exact, I was asked by Lee Nunn whether it would be possible to recommend another architectural engineering firm to GSA other than the firms suggested by the Architectural Engineering Award Board. I investigated this possibility with Rousch but determined that the process involved was too cumbersome to be practical. It would have required the Architectural Engineering Awards Board starting all over again in order to include an additional firm. The idea was dropped.

The entire Responsiveness Program received perhaps 10% of my time and, in fact, I never really took it very seriously. During the course of the two or three months that I handled part of this Program, I doubt that I had more than 8 or 10 GSA contract awards.

The Responsiveness Program contact at OEO was Stanley Armstrong. However, since he was fairly new, I had very few dealings with him. Those that I did have were limited to news releases and inquiries relative to the status of grants. As I mentioned, I cannot recall any specifics nor was I ever asked to push any projects with OEO or any other department or agency for that matter.

The Responsiveness contact at EDA and OMB was Cal Collier. I recall speaking with Cal on several occasions, admonishing him of the Administration's desire that the announcements for the awarding of grants be made prior to the election whenever possible. In fact, when all is said and done, this is what the Responsiveness Program was all about -- to get the bureaucracy to get the job done.

It is my understanding that the Responsiveness Program made some attempts to pick out key political areas to receive grants. However, I have no knowledge of who did this or how it was done. Rob Davison, in conjunction with Bill Gifford, was responsible for the grants operation. I was only vaguely aware of the specifics of his activities and I never met with or discussed any grants with Bill Gifford. Regarding documents or memoranda relative to the Responsiveness Program, I saw one or two progress reports but did not help prepare these reports. I reported to Rob Davison on what items had come up during the month in the departments or agencies assigned to me. Davison would prepare a memo which was really a progress report. I believe one of these reports was signed by Dan Kingsley but I am not sure. I never saw any documents from the agencies relative to their plans for implementing the Responsiveness Program. However, I do believe that such documents did exist.

Dan Kingsley's activity in the Responsiveness Program was almost totally non-existent and primarily a protocol-related rather than a substantive administration of the Program. The day to day operation of the program was primarily the responsibility of Davison, myself and, I believe, Bill Gifford.

The Responsiveness Program files and memoranda were turned over to Dan Kingsley and burned at his request. Kingsley contacted me either directly or through his secretary some time in September or October and asked me to deliver my single file folder containing the 15 or 20 Responsiveness records that I had, to his office for destruction. Included in my records was a one-page hand written list of 8 or 10 GSA contract awards, numerous news releases from EDA, OMBI and OEO. I assume that the files were destroyed because of their politically sensitive nature if taken out of context.

At no time did I personally commit an illegal or unethical act while in the employ of the Federal government. None of the activities of the Responsiveness Program that I am aware of, were in any way, shape or form illegal or unethical.

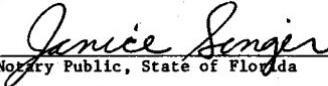
FURTHER AFFIANT SAITH NOT.



John E. Clarke

Subscribed and sworn to before me at Miami, Dade County,
Florida, this 21st day of November, 1973.

(SEAL)



Janice Senger

Notary Public, State of Florida

My commission expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES SEP. 6, 1977
BONDED THRU GENERAL INSURANCE UNDERWRITERS

MALEK EXHIBIT NO. 20

AFFIDAVIT OF LARRY F. ROUSH

AFFIANT LARRY F. ROUSH, first sworn, deposes and says as follows.

1. Enquiry has been made of me as to my knowledge of a "proposed responsiveness program."

2. My first knowledge of the possibility of such a program occurred in July 1972 when Stan Anderson, then of the White House Staff, briefed me.

3. Shortly thereafter Mr. Anderson left the White House Staff.

4. Further communication relating to the program was from Mr. John Clarke, then of the White House Staff. Mr. Clarke appeared to perform his duties differently from Mr. Anderson and the "responsiveness program" as described by Mr. Anderson was not implemented in any discussion to which I was a party.

5. I answered communications forwarded to me by Mr. Clarke or prepared or supervised preparation of responses. These communications related to personnel matters or to recommendations for possible selection of architectural firms.

6. With respect to the latter, from time to time I called Mr. Clarke and provided him with a list of architectural firms recommended by the Public Advisory Panel as being highly qualified for a particular project. Mr. Clarke then would call me and advise me whether he had a recommendation from among

those firms. Sometimes he had a single recommendation, sometimes several, sometimes none. Sometimes he communicated Senators' recommendations. Mr. Clarke's recommendations were accorded considerable weight. They were not always followed.

7. No reporting system was established to inform Mr. Clarke of a selection. On occasion he would call to enquire.

8. In November or December 1972 the foregoing procedure, such as it was, fell in disuse. At about that time Mr. Clarke left the White House Staff.

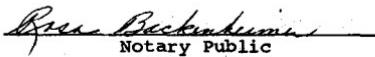
Further Affiant sayeth not.



LARRY F. ROUSH

District of Columbia] ss
City of Washington] ss

Subscribed and sworn to me before me, a notary public,
this 25th day of November, 1973.



Bruce Buckwalter
Notary Public

My commission expires November 14, 1975

MALEK EXHIBIT NO. 21

UNITED STATES OF AMERICA)
DISTRICT OF COLUMBIA)

AFFIDAVIT OF RICHARD A. GOLDSTEIN

RICHARD A. GOLDSTEIN, being first duly sworn, hereby deposes and says:

1. From October of 1970 through March 1973, I served as Special Assistant to the Under Secretary of the Department of Housing and Urban Development, Richard C. Van Dusen.

2. I first met Robert V. ("Rob") Davidson at the end of 1971 or the early part of 1972 in a meeting with Under Secretary Van Dusen.

3. At that meeting, Mr. Davidson identified himself as working on Fred Malek's staff at the White House. During the course of this meeting, Mr. Davidson described how the White House desired to develop a network among the agencies in order that they might be more responsive to White House requests during the upcoming months. Mr. Davidson identified this effort as the "Responsiveness Program". In the course of that meeting, Under Secretary Van Dusen told Mr. Davidson that he should contact me in regard to any requests he might have that involved the Department of Housing and Urban Development.

4. Over the next several months Mr. Davidson called me on approximately 20 to 25 occasions requesting information and favorable action regarding project applications pending with the Department. On those occasions I provided Mr. Davidson with a status report on the specific project. The projects were identified by number, name and location, however, I have no recollection at this time of any specific project which Mr. Davidson inquired about, save for the Los Angeles Model Cities Program discussed infra, paragraph 7. None of those projects, however, received favored treatment by the Department as a result of Mr. Davidson's intervention.

5. Sometime in the summer of 1972, after Mr. Malek had left the White House staff to join the Committee to Reelect the President, I received a telephone call from Mr. Davidson in the course of which he asked that the Department set aside approximately \$2-3 million that could be used in the State of California as part of the Responsiveness Program. Under Mr. Davidson's proposal, an individual whom the White House would designate, but who would not be an employee of the Department of Housing and Urban Development with an appropriate delegation of authority from the Secretary, would

make the decision as to how those monies were to be committed, i.e., which cities and towns in California would receive those funds. I told Mr. Davidson that in my judgment such a program did not make sense; that it sounded illegal and certainly improper and that I felt confident that HUD would not participate in such a program. I further told Mr. Davidson that if he wanted a decision from a higher authority I would take the matter up with Under Secretary Van Dusen. Mr. Davidson suggested that I do that. At the conclusion of my conversation with Mr. Davidson, I spoke with Under Secretary Van Dusen about this matter. He agreed and told me that HUD would in no way participate in such a program.

6. On one occasion, Mr. Davidson called to solicit the Department's assistance with regard to a Mr. Stack from Philadelphia whom Mr. Davidson said was receiving substantial business as a fee attorney from the Federal National Mortgage Association. It was my impression that Mr. Davidson sought to affect Mr. Stack's compensation because of Mr. Stack's political affiliations. I believe I told Mr. Davidson at that time that the Federal National Mortgage Association was not a part of the Department of Housing and Urban Development

and, therefore, the Department was not really in a position to take any action against Mr. Stack even if it were predisposed to do so. The Department took no action with respect to this matter as a result of Mr. Davidson's request.

7. On several occasions, Mr. Davidson called requesting a status report regarding the Los Angeles Model Cities Program. As I recall, Mr. Davidson's interest in the Los Angeles Model Cities Program centered on the prospects of funding three specific projects in the Mexican-American community: (1) a Comprehensive Facilities Program, (2) a Senior Citizens' Building, and (3) a Community Media Educational Center. Mr. Davidson explained to me that it was politically desirable to satisfy the requests of the Mexican-American Community. On those occasions when Mr. Davidson would inquire I routinely called Mr. Robert H. Baida, the Department's Regional Administrator for Region IX which includes the State of California, and asked for a status report on those projects. At no time did I ask

*/ My recollection concerning this matter is extremely vague due to the fact that I was not involved in an earlier discussion between Under Secretary Van Dusen and a member of the White House Staff (not Mr. Davidson) during which the initial request for information regarding these projects was made.

Mr. Baida to take any action with respect to those projects other than to inquire from the responsible City officials regarding their status in the Model Cities program. After receiving a status report from Mr. Baida, I would telephone it to Mr. Davidson. As a result of a request made of me on October 31, 1973, by Mr. James Hamilton, Assistant Chief Counsel, Senate Committee on Presidential Campaign Activities, I contacted Mr. Baida to determine whether any or all of these three projects had been funded. On October 31, 1973, I spoke with Mr. Baida. At that time, Mr. Baida told me that he had no knowledge as to whether or not the projects had been funded but that he would find out and let me know. During that conversation, Mr. Baida reminded me that under the Model Cities Program HUD did not fund any specific projects; rather, HUD made money available to the community and the decision as to which projects were funded was made by the local community, not by HUD. Mr. Baida called me back on November 7, 1973, and provided me with the following information on the three proposed Mexican-American projects in the Model Cities Program:

"In April of 1972, HUD advised the mayor of Los Angeles that there were sufficient funds in the

Model Cities program to fund those three projects if the City wanted to re-program the funds. The mayor wrote back saying he didn't want to re-program the funds from the Black community to the Spanish-American community, but rather, he wanted additional money for the three projects. In May of 1972, HUD replied that no additional funds would be provided but authority would be granted for re-programming the funds.

The City ultimately did re-program funds for the Comprehensive Facilities Program and the Senior Citizens' Building and money was expended for plans and specifications. However, prior to construction HUD imposed a freeze on all construction in the Los Angeles program until the City created a resident employment program for the benefit of minorities. This freeze is still operative.

The City did not re-program any funds for the Community Media Center."

On November 7 or 8, this information was communicated to Mr. Hamilton in the course of a telephone conversation with my counsel, Mitchell Rogovin.


RICHARD A. GOLDSTEIN

Subscribed and Sworn to this 23rd day of November,
1973, by Richard A. Goldstein before me.


NOTARY PUBLIC, D.C.

My Commission expires April 14, 1976

MALEK EXHIBIT NO. 22

for the Re-election

of the President

1701 PINEYSVANIA AVENUE, N.W., WASHINGTON, D.C. 20006 (202) 333-5920

October 9, 1972

MEMORANDUM FOR THE HONORABLE FREDERIC MALEK

FROM: ALEX ARMENDARIZ
SUBJECT: ZAVALA COUNTY GRANT

Since you may be called for an opinion on the subject grant, changes made by McGovern, and wisdom of an override, here is some background for your information.

Now that it has taken place, it is important for political reasons that Phillip Sanchez' override prevails over Governor Preston Smith's veto of the Zavala County Health Corporation grant. It is my understanding that this is a good program. The grant is for Crystal City, the heartland of La Raza Unida, the recognized Mexican American third party in Texas. Raza Unida effectively took over the local government in Crystal City by fielding and supporting their own candidates. This year, they have 22 candidates on the ballot in Texas, and are also running in four other states. All Federal funding activity in the Crystal City vicinity will be watched closely by Raza Unida leadership and interpreted in purely political terms.

At present, La Raza Unida is not fielding a candidate for the President, but is focusing on local races instead. By steering a middle course in this Presidential race they are able to criticize both parties while using their potential endorsement as a bargaining tool. Party leader Jose Angel Gutierrez is advising his people not to vote for the President, but it is clear his position could change at any time.

Should the poll gap tighten in Texas, the neutrality of La Raza Unida will be important. Our studies indicate that there is 70 percent approval of Raza Unida among Mexican American in Texas. The fact that there are about 1 million political Mexican American voters in Texas and that Humphrey won that state in 1968 by only 38,000 votes, substantiate the possible importance of La Raza Unida neutrality in this election.

We have no way of publicly supporting this group without antagonizing Republicans and making La Raza Unida look as though they had sold out. At the same time, neither do we want to antagonize Raza Unida supporters and drive them back to their old positions as Democrat voters. The Zavala County grant provides us with an opportunity to support the party indirectly in a positive and legitimate manner. Such an action is likely to strengthen their position of neutrality which is so politically beneficial to us.

MALEK EXHIBIT NO. 23

*Citizens Blacks
G70*THE WHITE HOUSE
WASHINGTON

June 15, 1972

CONFIDENTIAL

MEMORANDUM FOR: FRED MALEK
FROM JOHN CLARKE *JL*
SUBJECT: Black Vote Field Plan (attached)

Per our conversation, attached is the final plan as we discussed.

Please note that I have reduced the field organization down to the city level and placed heavy emphasis on Black Leaders Committees and coordination with the Nixon organization.

I have talked with Bob Brown and Stan Scott regarding their roles in Special Projects/Speakers Bureau and PR, respectively. Bob is handling the planning and scheduling of Black appointees and has hired a full time girl to handle that aspect of the Speakers Bureau. He is also handling other Special Projects relating to OEO, SBA, HUD, etc. Stan is responsible for developing a PR game plan for Blacks and hopes to continue using John Calhoun from Action to handle the implementation. Based on my conversations, I see no need to add to those organizations at present, with the possible exception of hiring Calhoun for the Campaign Committee.

The entire plan has been discussed with Ed Sexton and he agrees totally. He has several candidates in mind for Field Coordinators so I have left out any specific recommendations as to people. Ed is also developing a specific plan for a so called Truth Squad utilizing approximately five elected Black officials as a traveling team.

I have talked with Paul Jones and Ken Rietz regarding the youth proposal. They are going to meet with Robert Brown of Shaw University and develop a boiled down version that is realistic in terms of money and organization. I will keep you posted.

If you agree with the plan, I suggest you meet with Sexton as soon as possible to discuss his role and work out any remaining details.

Please let me know.

INTRODUCTION

The attached plan is a strategy for the development, organization and implementation of an effective field operation for securing a significant number of Black votes for the President. The plan only concentrates on the field operation since that is where the voters are located.

The plan places heavy emphasis on the selection of key personnel immediately. If this is not done then no plan will accomplish what the President needs in the key cities and states.

The plan makes some specific recommendations regarding field organization and personnel. It also discusses how each area of the organization is to function, its specific responsibilities and duties, and assigns target dates for accomplishing the overall plan.

SPECIFIC PLAN

Attached at Tab A is a proposed organization chart covering the field organization. It is essential that the field organization be sufficiently detailed to enable each coordinator to cover a manageable unit where he would be most familiar and effective.

Black Vote Chairman

Paul Jones is currently in charge of the entire Black vote effort. He is not knowledgeable in politics but, if backed up by professionals, can continue to occupy the role of front man. Due to his political naivete, it is essential that a strong organization be recruited to support his efforts and really get things done. This organization should include a man to head up all Field Operations.

Field Operations Manager (1)

Attached at Tab B is the resume on Edward Sexton whom I strongly recommend for this position. He has excellent credentials in politics, has organized politically, knows numerous black leaders and would be available. His present activity at the RNC can be combined with the Field Operations role.

These committees would be responsible for recruiting volunteers in their area, establishing an organization of workers throughout their area, implementing plans and programs and generally reaching the Black voters throughout the city.

These committee members should be prime movers in their communities and would have direct responsibility for establishing credible local headquarters, reaching the voters through speakers, literature, polling and canvassing, telephoning and all the techniques of door to door and people to people campaigning.

All of the above activities must be closely coordinated with other members of the Nixon Campaign team at the State, City and local levels.

At the present time I see the need for twenty-three City Coordinators. This number could change as more up to date polling becomes available. The number of committees depends upon the Black vote concentrations in each city. In some cities - like Hartford, Connecticut - one would be sufficient. In a city like New York - perhaps we would need three or four.

Summary

This plan does not formally recommend the establishment of an organization below the city level. However, through the City Coordinators, the Black Leaders Committees and the regular Nixon organization, I visualize this being accomplished. If the City Coordinators select the right committee members we should be able to reach voters at the lowest level of organization.

SPECIAL ACTIVITIES

Grants and Government Resources

At the present time, Bob Brown and his staff are handling the grants activity. To date, they have identified all Blacks who are receiving, or have received, money from this Administration. These recipients are being utilized as a source of campaign contributions and volunteers and as a vehicle for getting our appointees invited to various Black events as speakers and participants. They also form an excellent group of visible Blacks and they are being used to reach the voters in their areas of influence.

The responsibility of the Field Operations Manager would be to develop and implement all programs and plans for field operations. He would travel to the key states and cities assisting in setting up the field organization in all areas. (See Tab C for list of key cities and states). He would work closely with the Field Coordinators and State Black Vote Chairmen to set up the organization below those levels. He would also assist in the recruitment and training of volunteers at all levels who would disseminate information, identify voters and get out the vote. Finally, he would be held accountable for the success or failure of the field operation. This man would report to Paul Jones on paper but really to Fred Malek.

In order for Ed to function effectively it is imperative that Paul be completely informed as to his responsibilities relative to Ed. If Paul does not cooperate and allow Ed to produce, then the organization will fail. I strongly recommend that Malek have a "heart to heart" with Paul.

The Field Operations Manager should be hired no later than the end of June.

Field Coordinators (2)

The Field Operations Manager, in conjunction with Paul Jones and Fred Malek, should immediately select two Field Coordinators. These men should have had excellent political experience and be skilled at organizing and directing the activities of others. The Field Coordinators should be selected by the Field Operations Manager since he would know the kind of people needed. Ed Sexton could accomplish this task quickly but Fred Malek must approve them before they are hired.

The Field Coordinators and the Field Operations Manager would each be responsible for certain key states and cities (see Tab D). They would work directly with the State Black Vote Chairmen and the members of the Nixon Campaign team in setting up the organization, recruiting and training of volunteers and implementing plans, programs and projects. The Coordinators would be responsible to the Field Operations Manager. They could also employ special consultants on an as needed basis with the Field Operations Manager's approval.

These men should be hired by the end of June and the Field Operations Manager should make the selections with Fred Malek's approval.

State Black Vote Chairmen and Black Advisory Committees

It is absolutely essential that these positions be filled by the end of June. Their selection in each key state should be the first order of business for the Field Coordinators and the Field Operations Manager. The Nixon State Campaign Managers should not be asked to do the recruiting! This should be handled by the Black Vote Chairmen, the Field Operations Manager and the Field Coordinators. They should, however, be cleared with the Managers and report to them on a day to day basis. All State Chairmen will be volunteers; however, some key states will have paid Executive Directors.

State Black Vote Chairmen should be selected for the Southern States. These men will be volunteers and, by working closely with the Nixon Campaign Manager, could be prime movers in establishing a network of volunteers to blanket the South. We have a real opportunity to influence large numbers of southern Black voters but this will depend on how aggressively we move at selecting chairmen and the quality of the selections. Again, the Field Operations Manager would be invaluable in this activity.

Finally, each State Black Vote Chairman should select an active committee of State Black leaders to assist him throughout the state. The members should be highly visible and respected Black leaders and charged with the responsibility for reaching the Black voters. These committees are critically important only in the South as we have no plans, at present, to establish a formal organization below the State level.

City Coordinators (23) and Black Leaders Committees

Each key city should have a coordinator jointly selected by the State Black Vote Chairman, his Field Coordinator and the Nixon Campaign Chairman. He would be responsible for generally supervising all activities in his city by closely coordinating with the Nixon City Chairman. Each City Coordinator must, in conjunction with his superiors, select active committees of Black leaders to assist him in each major black area of his city. For example -- in Chicago, a committee could be established of leaders from the Southside and one from the Westside.

In addition to the above results, Bob and his staff are actively seeking out other projects that could be funded to the benefit of the campaign. They are specifically looking for projects that will impact heavily on Blacks due to voter appeal and Black involvement. To date, they have been very successful. In this area, a local Black building contractor (Jack Crawford) has developed a program for identifying potential projects, getting them funded through Bob's office and, in return, obtaining a strong vote commitment for the President from the recipient. This plan is being actively pursued at present. Another specific project that is underway is the identification of all remaining grant and loan monies with a view to carefully allocating those funds to projects which will impact most heavily on black voters.

Finally, Bob and his staff are working closely with Dan Kingsley to identify various advisory boards and commissions and job openings which can be filled by visible Blacks.

Even with the accomplishments so far, more work needs to be done in this area and plans are currently being drawn to more effectively develop and coordinate this activity.

Speakers Bureau

The Speakers Bureau is also handled in Bob Brown's office since Bob has direct contact and impact on the Black appointees. Each Black official provides Bob with a 60-day schedule of his speaking engagements. These schedules are analyzed, suggestions and additions made, and appropriate media coverage arranged through Stan Scott in Herb Klein's office and the appointees Public Affairs office. Stan has met with the various Public Affairs officers to discuss the program in an effort to maximize the results.

As in the grants program, more work is needed in this area. Therefore, a detailed action plan is being prepared, in conjunction with Stan Scott, to more effectively schedule our appointees, improve the media coverage and broaden the speaking invitations.

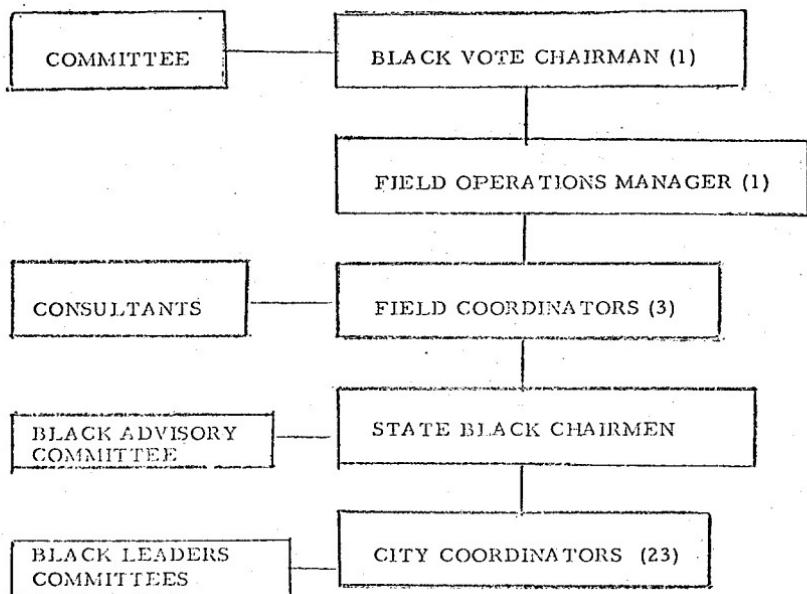
CONCLUSION

Coordination and cooperation between all levels of the Black organization and the regular Nixon team is essential to success. If coordination breaks down at any level between the Black organization, Bob Brown, Stan Scott and the regular Nixon organization then the effectiveness of the effort will be significantly reduced. In fact, the entire plan depends on it.

Finally, this plan should be implemented by the end of June.

8412

TAB "A"



EDWIN T. SEXTON, JR.

Born: July 12, 1923

TAB "B"

Married: Dorothy Helen

Daughters: Telana Denise - 19

Darcel Yvette - 17

Member - St. Paul A. M. E. Church; Wichita, Kansas

Veteran - U. S. Army: World War II (CAP -2nd Lt.)

Education:

Wichita Public Schools

Graduated - Tony Manhardt Speech School

Wichita University - Business Administration

Former Employment:

Editor and Publisher of the Enlightener

Field Representative of the Republican National Committee's
Minorities Division

Present Employment:

Second Vice-President of Sexton Cleaners and Tailoring Company

Special Consultant and Director, Special Groups Activities - Minorities

Republican National Committee

Former - Human Relations:

Founder and Board Member of Wichita Urban League

Member of National Advisory Urban League

Board Member of Hutcherson's Branch Y. M. C. A. and West Central Area
Y. M. C. A. (five states)

Member - Major's Study Commission on City Manager Form of Government

Member - World Services Committee Y. M. C. A.

Member - Veteran Affairs Committee of American Red Cross

Department Commander - Arthur Gossett Post # 273

State Master of Arms - State American Legion

Member - Sunflower Boys State Director, American Legion

Master of Ancient Square Lodge F & AM 110

Chairman of Resident Advisory Council O. E. O.

Chairman and Vice-Chairman Wichita Community Action Governing Board, O. E. O.

SEARCHED

INDEXED

MALEK EXHIBIT NO. 24

June 26, 1972

MEMORANDUM FOR:

JOHN MITCHELL

FROM:

FRED MALEK

SUBJECT:

Black Vote Campaign Plan

As we have discussed, there have been some problems in getting the Black vote campaign moving. While Paul Jones is handling the public relations and programmatic aspects of his responsibility effectively, he lacks the political experience to recruit and develop an effective field operation. Therefore, the Black Vote Division still does not have a field organization. In addition, the Black team has not fully utilized the resources available to them through Government grant and loan programs. To correct these problems, I have developed a three-part plan of action, which is described below.

1. Support Jones With An Experienced Political Organizer.

To compensate for Jones' lack of political experience, I have arranged the addition of Ed Sexton as Field Operations Manager. He will report to Jones but will take most of his direction from me. Ed has excellent credentials in politics, has organized politically, knows numerous Black leaders, and is immediately available. He will start this week with a first priority of finalizing the field plan.

2. Establish A Field Organization Focused On Key Cities.

Once Sexton is on board, he can begin to build the field organization that we now lack. Under him, we should have two Field Coordinators, responsible for working with the State Nixon organizations to establish effective Black organizations in key cities. The Field Coordinators and the Field Operations Manager would each be assigned responsibility for specific key states and cities.

The first order of business for the new Black vote field team will be to work with the Nixon State Chairmen to select State Black Vote Chairmen in those key states where this has not been done. In some key states, full-time paid Executive Directors should also be selected.

The cities listed at Tab A will be the focus of the Black campaign. In each key city we will have a Coordinator who will be jointly selected by the State Black Vote Chairman, his Field Coordinator, the State Nixon Chairman, and

the City Nixon Chairman. The City Coordinator would be responsible for generally supervising all Black-related activities in his city, closely coordinating with the City Nixon Chairman. Each City Coordinator would, in conjunction with his superiors, select active committees of Black leaders to assist him in each major Black area of his city. These committees would be responsible for recruiting volunteers for the regular Nixon organization in their area and for implementing programs designed to persuade Black voters throughout the city to vote for the President.

2. Intensify Efforts To Utilize Government Grants And Loans.

I feel that our strongest selling point with Black voters is the economic assistance this Administration has provided to Blacks. To fully capitalize on this, we have to do a better job of publicizing the grants already given, and of identifying new projects for which we will receive maximum impact.

The major portion of the responsibility for this activity falls on the White House side of the Black team. Bob Brown and his staff have identified all Blacks who are receiving, or have received, money from this Administration. These recipients will be utilized as a source of campaign contributions and volunteers, and as a group of highly visible Blacks to be used to reach the voters in their areas of influence.

Effective allocation of new grants requires close coordination between the White House and the Campaign team. As a first step, I have asked Bob Brown to identify all major sources of grant and loan monies which could be allocated to Blacks. Then, Jones and Sexton, working through their field organization, will be responsible for finding recipients in key cities who will be supportive of the re-election effort.

* * * * *

I believe that by strengthening our field organization and making better use of grants and loans, we can overcome the problems of the Black Vote Division, and make some inroads on Black voters in November. I will keep you apprised of progress.

Attachments

<u>PRIMARY STATES</u>	<u>KEY CITIES</u>	<u>% BLACK OF TOTAL VOTERS</u>	<u>BLACK VOTING AGE POPULATION</u>
California	Los Angeles San Francisco/ Oakland	9.5 9.2	438,325 193,842
Texas	Houston Dallas	17.6 13.9	215,071 135,281
Illinois	Chicago	15.9	689,335
Ohio	Cleveland Columbus Cincinnati Dayton	14.7 10.6 10.2 10.0	195,639 59,871 88,193 53,091
New Jersey	Newark Trenton	16.3 13.8	198,552 26,939
<u>SECONDARY STATES</u>			
New York	New York City Buffalo	14.4 6.9	1,127,703 59,449
Pennsylvania	Philadelphia Pittsburgh	16.0 6.4	493,326 100,981
Maryland	Baltimore	21.2	275,788
Michigan	Detroit	16.9	442,943
Connecticut	Hartford New Haven	4.8 6.2	31,720 29,751
Washington	Seattle	2.6	23,958
Wisconsin	Milwaukee	6.1	53,349
Missouri	St. Louis	14.2	211,830
	Kansas City (Kansas & Missouri)	12.7	85,606

MALEK EXHIBIT NO. 24-A

Committee for the Re-election of the President

MEMORANDUM

September 7, 1972

MEMORANDUM FOR: MR. FRED MALEK
FROM: PAUL R. JONES
SUBJECT: Weekly Activity Report

MAJOR ACCOMPLISHMENTS

Met and conferred with Washington Area Minority Contractors Association who requested our support in securing Secretary Peter Peterson (Commerce Department) to address their convention (Sept. 22 - Wash., D.C.); arrange forum for them to support the President.

Submitted revised surrogate list and schedule for Black Vote Division. Set up briefing session for all major surrogates -- sent advance speakers material.

Met with Citizens Voting Blocs Division to coordinate efforts of Black special interests groups and to provide additional names for service on their various committees.

Met with field staff to solve problems.

Recommendations made to the White House for prominent Black educators to serve on various national educational advisory boards/commissions.

Attended White House OMBE meeting to clarify status of minority-oriented proposals that have been submitted by active supporters.

Staff was interviewd by Arkansas Gazette, Life magazine, and Black oriented press and radio.

Planned and held reception for Jim Brown who publicly endorsed the President and radio. Mr. Brown was introduced to key Black persons on staff, Black Appointees and Washington area supporters.

Shipped back orders of promotional materials.

MAJOR ACTIVITIES PLANNED FOR THE COMING WEEK

Announcing special interests groups/committees and public endorsements.

National Association of Black Athletes (265 members) are being worked with to publicly endorsed the President -- who have interest in Sickle Cell Anemia.

Arranged for hospitality suite in New York during the Whitney Young Memorial (Grambling and Morgan Game) to continue efforts in gaining support by Black opinion-making.

Meet with Black surrogates for briefing and travel scheduling.

Staff meeting with field operations on organization.

Finalize volunteer program and participation in Canvas Kick-Off.

TRAVEL

(See attached).

MALEK EXHIBIT NO. 25

COMMITTEE FOR THE RE-ELECTION OF THE PRESIDENT

MEMORANDUM

May 11, 1972

MEMORANDUM FOR:

MR. FRED MALEK

FROM:

PAUL R. JONES

SUBJECT:

Weekly Activity Report

Senator Brooke has been requested to be featured speaker at the June 10th dinner. Awaiting reply to request. Invitations have been mailed out to 9,000 persons for dinner -- to soon to estimate response. Coordinated with Angie Miller to have Black and White Nixonette participation at the kick-off dinner on June 10th.

Interviewed by Joe Irvin of the Los Angeles Times and Julius Duscha of the New York Times regarding Black Vote Division activities.

Attended Philadelphia briefing of key Black leaders.

Addressed the National Association of Minority Certified Public Accounting Firms at their NAMCPAF's First Annual Meeting.

Coordinating and developing with Bob Brown's office a strategy for a 30 million dollar negotiation for the Dept. of Labor.

TRAVEL PLANS

Occasion: Address key Black leaders who will serve on citizens committees.
Destination: Philadelphia
Date: May 16, 1972 12 Noon

MAJOR ACTIVITY FOR COMING WEEK

Continue follow-through on dinner activity.
Contact state chairmen and Black state chairmen regarding selection and proposed activity for their particular state.
Implement plans to hold meeting of National Association of Black Manufacturers Board Members. (Brief and discuss role in campaign).
Continue follow through support to Mrs. Helen Evans, State Central and Executive Committee (Ohio); Jack Gibbs (Mich.); and Debbie Gingell (N.C.).

MALEK EXHIBIT NO. 26

COMMITTEE FOR THE RE-ELECTION OF THE PRESIDENT

April 18, 1972

CONFIDENTIAL

MEMORANDUM FOR: MR. FRED MALEK
FROM: PAUL R. JONES
SUBJECT: Meeting with James Farmer

In the Brown-Jones meeting with James Farmer, the following points of interest were discussed:

1. Farmer's willingness to work in support of the President. (It was agreed he might better serve at this time by maintaining a "non-partisan posture.") Jim expects to build on the attitude coming out of Gary.
2. His speaking engagements (he is to send a list of his engagements). We will seek to arrange media interviews in connection with his key appearances.
3. Farmer's interest in funding for his think tank proposal. He's seeking \$200,000 seed money from HEW. (This should be moved on but should allow for a final Brown-Jones check-off in order to re-inforce Farmer's involvement. Additionally, there is some need that the think tank initially focus on key issues of interest to Black voters. ✓

CONFIDENTIAL

MALEK EXHIBIT NO. 27

Committee for the Re-election of the President

MEMORANDUM

July 14, 1972

MEMORANDUM FOR:

MR. FRED MALEK

FROM:

PAUL R. JONES

SUBJECT:

Weekly Activity ReportMAJOR ACCOMPLISHMENTS

Conferred with Ohio Republican / Democrat representatives in a preliminary meeting prior to visit to Ohio for organizational purposes.

Met with head of Committee for the Re-election of the President attorneys citizens group and local Black attorneys (Ed Sexton also) and developed approach to be taken at the upcoming National Black Bar Association's Convention to secure Black attorneys for service on Black citizens committees and on overall attorneys groups.

Met with Executive Director of the Black Manufacturers Association on forthcoming role in campaign and received their list of concerns.

Visited by recently formed New Jersey Black Republican delegation and spent considerable time discussing the role they will play in the Nixon state operation.

Contacted by Dr. J. H. Jackson, President, National Baptist Convention, and received stronger indications he is becoming increasingly interested in receiving official recognition as well as invitation to play active role in support of re-electing the President. (Again, suggest you provide assistance in getting Presidential invite for Dr. Jackson).

Held luncheon meeting with Executive Director of National Newspaper Publishers Association and received detailed briefing on political leaning of each member paper.

Corresponded with all present Black State Chairmen.

Received indications of interest from Black Democrats attending National Convention in Miami Beach -- wanting to support re-election of the President.

Thru White House contacts initiated new efforts to assist Charles Wallace, President, Wallace & Wallace Fuel Oils, in overcoming present constraints to expand his business. This has, for the time being, allowed us to assist a staunch Nixon supporter.

Housed a delegation of 20 Black students (16-18 years old) from Green County Alabama who are participating in the Experimental School Program sponsored by HEW. Invited Re-election Committee's Youth Division to address the group. Distributed Black campaign information to each and held a lengthy briefing. Also arranged a tour of the White House with Black White House intern. (Original contact came through NEA where we have inside contact).

In meeting with various State Chairmen established specific approaches for Black State organization campaign plan.

Visited by Ed Gannon, Special Assistant to Charles Walker (Treasury Department). Assisted him in development of speech by Walker for the Black Bankers meeting in Atlanta. In return was briefed on Administration's Black Bank Deposit Program.

PERSONNEL

Weeks of negotiations with Tony McDonald and Stan Scott concluded with agreement to bring Calhoun onboard. It is, at last, a difficult, strained arrangement.

PROBLEMS

Concerned over the lack of budget for Black State/City operations is now more pronounced since the past weeks round of State conferences.

The growing demand for field visits to key areas intensifies our need to finalize field operations and field staff. We have good alternate candidates in mind, organizational plans, which are now delinquent, are not operable. All that is needed is your approval.

MAJOR ACTIVITIES PLANNED

Final development of specific action steps with target dates are planned to implement:

1. Formulation of special groups
2. Mailings
3. Surrogates program
4. Dinners and receptions in key cities
5. Finalize Convention plans
6. Meet with Mr. Malek
7. Black volunteers.

TRAVEL

Responding to Austin, Texas request of Marci Saul, staff person for Senator Foyers to address luncheon meeting leadership conference (see attached).

Traveling to Detroit, Mich. to meet with key Black leaders thru request of Michigan State Chairman during the State meetings held here.

Please answer the following:

- 1) Do you support the President in his efforts to bring the minority into the economic main stream?

Yes _____ No _____

- 2) Will you get out and help the President be re-elected so that he can continue this program?

Yes _____ No _____

- 3) Do you believe that the 8-A Program has done all it can to help you?

Yes _____ *No _____

This questionnaire is designed solely to poll the opinion of one of the most dynamic programs that was ever instituted to help minorities. We wish to know your feelings on it. Your answers will not affect your status on the 8-A Program.

We obtained your name and address from public records.

Through businessmen such as ourselves, this is the only way we will ever be able to get our people out of the ghetto. This is why it is important to me to know how all of you feel and how we can improve the program.

We must keep any administration in power that is dedicated to this program.

WALLACE & WALLACE FUEL OIL CO., INC.

"If your answer is "No", please let me know so that we can attempt to solve your problem.

MALEK EXHIBIT NO. 28

Wallace and Wallace
Fuel Oil Co. Inc.

Commercial and Residential

205-28 MURDOCK AVENUE
HOLLIS, NEW YORK 11412

212-464-3737
464-3335

September 12, 1972

Name of Firm

Gentlemen:

You have, or soon will have, an 8-A Contract. The 8-A Program is the most dynamic program that has ever been instituted for minorities. It is essential that this program continue to grow without delay.

When the present administration took over in 1968, there were eight qualified contractors in this program, and seven contracts awarded which totaled \$10,493,524. Four years later, under the same administration, there is a total of 1582 qualified contractors under the 8-A Program which totals \$147,087,028. This program is trying to reach a goal of over a billion dollars for its minority citizens.

I believe that you can understand the significance of such a program with the government spending trillions of dollars in contracts and other forms, and very little has been directed to the minority citizen. Under the present administration, this has changed.

I have personal assurance from the President of the United States (see attached letter) that he is behind this program, which he has shown through his deeds and actions.

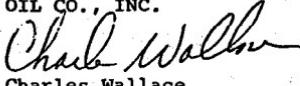
I cannot tell you how important it is that we go out into the field and try to get the President re-elected. It is too late for minorities to take a chance on another administration at this crucial point who may or may not be dedicated to our cause to bring minorities into the economic main stream. We will never get out of the ghetto until we have strong minority businessmen in our community. The white community stays out of the ghetto through its businessmen.

It is essential that we do not concern ourselves this year with problems such as busing and other minute problems. If we are economically strong, then eighty-five percent of our problems will disappear.

I believe beyond a doubt that we should support the present administration one hundred percent.

Very truly yours,

WALLACE & WALLACE FUEL
OIL CO., INC.


Charles Wallace

President

CW:bc
Enclosures

THE WHITE HOUSE

WASHINGTON

September 14, 1971

Dear Mr. Wallace:

Your letter of September 1 has come to my attention, and I want to assure you of my strong interest in the 8-A Program. While there have doubtless been some growing pains as this program expanded, it is good to know you share my belief that the 8-A concept offers a unique and very desirable opportunity for minority enterprises - indeed, some 500 firms have taken advantage of the program in the past fiscal year alone.

I have asked my staff to look into your specific suggestions about making the program even more effective, especially in the area of appointments in the Small Business Administration where responsibility for the day-to-day administration lies. Your comments about the 8-A program are highly valued, for it is our hope the program can continue to be an important means to bring minority businessmen into the mainstream of economic competition and, ultimately, to build a firm structure of economic opportunity for all minority peoples.

With my best wishes,

Sincerely,



Mr. Charles Wallace
President
Wallace & Wallace Fuel Oil Company, Inc.
205-28 Murdock Avenue
Hollis, New York 11412

Please answer the following:

- 1) Do you support the President in his efforts to bring the minority into the economic main stream?

Yes _____ No _____

- 2) Will you get out and help the President be re-elected so that he can continue this program?

Yes _____ No _____

- 3) Do you believe that the 8-A Program has done all it can to help you?

Yes _____ *No _____

This questionnaire is designed solely to poll the opinion of one of the most dynamic programs that was ever instituted to help minorities. We wish to know your feelings on it. Your answers will not affect your status on the 8-A Program.

We obtained your name and address from public records.

Through businessmen such as ourselves, this is the only way we will ever be able to get our people out of the ghetto. This is why it is important to me to know how all of you feel and how we can improve the program.

We must keep any administration in power that is dedicated to this program.

WALLACE & WALLACE FUEL OIL CO., INC.

*If your answer is "No", please let me know so that we can attempt to solve your problem.

MALEK EXHIBIT NO. 29

*Messa
campaign-958* 7/6
6/11

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

June 30, 1972

MEMORANDUM FOR:

CHARLES W. COLSON

SUBJECT:

Weekly Staff Report

1. The ice is finally broken on Williams' job at AoA. They accepted a job description which was written by Williams and myself, which, among other things, gives Williams the right to review all AoA grants and contracts, to serve as a liaison between the Commissioner and all Federal Departments, voluntary agencies, ^{and} non-profit sponsors, to undertake Confidential assignments on behalf of the Commissioner and to work with non-government organizations. In addition, Williams has been given GS 15, Step 10. Rob Davison, of Malek's staff, did a good job in helping gain this result. Apparently, even Mastrangelo even went to bat for us. We still must watch to make sure the second position, which was agreed to, is filled.

2. The HUD aging brochure has been finalized and is at GPO. This brochure quotes the President extensively, includes pictures, and art work. HUD agreed to pay \$25,000 for its printing and \$13,000 for its mailing.

3. DoA, OEO, ACTION, DoL, VA, and DoT, are all putting together their final galley proofs, which will be sent to GPO next week. As usual, I am having trouble HEW--AoA to come up with a decent brochure. However, they have agreed to spend the money for printing and distribution once we get something worth sending out. In addition, it appears we will get them to send out a rhetorical brochure as well. FYI--Des Barker and John Carlson's efforts have been helpful, although time consuming, regarding this project. You may want to give them well-done for their efforts in helping to get these out.

4. The print-up of the Project FIND brochure is included as Tab A. As usual, HEW--SSA have managed to deemphasize the President's quote and his involvement with this project. Still, since this message is going to 27 Million older persons, it is quite an achievement, and will be a good PR initiative on behalf of the President.

*Don't let them do this or the next
notice w/ 20% increase -
RN wants to review periodically*

me

Weekly Staff Report*cc*
get set

*for Webster
Carrying
our
opinions*

Excluded

Also concerning Project FIND, I have just arranged for USDA to print up 120, 000 --17 1/2 x 22 posters which will be posted in all Post Offices, Community Action Agencies, SSA offices, elderly housing projects, and Red Cross offices. This poster will feature the Presidential seal and a quote by the President which will stand out as a result of its differing color.

6. The final approval from DoL of the \$1 Million grant to the new aging organization has come in. Regarding this organization, please see Tab B, which concerns free office space. — *ask Fred Fielding for help*

7. It appears that HEW has agreed to produce 60 copies of the Richardson, Flemming, Rocha TV program taping. This will then be distributed simultaneously to the top TV stations in all of our key states. It is a very political show which stresses time and time again the fantastic things the President has done for older people, which is why the need for simultaneous distribution. This should be shown in late July or early August. In any event, it will be shown before the President is nominated.

8. As mentioned earlier, I am in the process of putting together a speech kit. Unfortunately, upon adding Flemming and Van Rensselaer to the list of critics, the whole thing has had to be rewritten. My main problem here is getting speech inserts written about each of major Presidential initiative areas. I will ask Rhatican to see if he can get someone in Price's shop to do this now that you and Dick have apparently come to some sort of agreement with Price.

9. I am working with Harper to see if we cannot give the older voter a section in the platform. I will not know where this stands until the end of next week.

10. I am working with Marumoto and Davison, of Malek's shop, to do them a favor in funding a proposal for Spanish Speaking elderly. It appears that I will be able to get \$100, 000 out of OEO for their purposes; and, needless to say, they are quite pleased.

11. Baird, of the Educational Research Council of America, has been told by HEW that he will receive a \$50, 000 planning grant. He met with them today, but I do not know the results of their meeting.

12. I broke loose grants to six counties in Illinois as a favor to Percy. These came from AoA. Dick Williams was instrumental in helping break them loose--our first pay-off in getting him in AoA. Is there any

Send to the Sun to advise Town will get results

Weekly Staff Report

way we can get Percy to repay us, or any other Senator of Percy's ilk, for such favors? I got Ollie Atkins to take a picture of Romney, Richardson, Blatchford, and Kensey (President of NCVA) for some publicity for an aging agreement they entered into. This will be released next week.

Dial 'T' talk to Parker

13. I am having constant trouble with Parker's office concerning schedule proposals. First, he continually goes to Vicki Keller for proposals and, as you know, it has been agreed that proposals should be routed through your staff. Malek is on board concerning this one, Keller agrees, and from a management point of view, it does not make

sense having two people funneling things on the same subject into Parker's office. It would be helpful if you would get Parker to work with me on this. Some of the problem may stem from that busing proposal when you and I got disjointed. Second, additional problems may have stemmed from Dick Howard and I not communicating regarding who should address the AARPs when they toured the White House. It would be helpful if you would make sure that Dick would inform me of any agreements he comes to with Parker so that I don't move out in any direction which gets Parker upset.

OK

14 & 15. The situation with Rocha is now under control and he will be paid by DoT and his travel expenses will also be paid by them. It does not look good for making him a Special Assistant, but they will let us call him a Consultant to Volpe, which is helpful. An article and picture of Julie's RSVP Philadelphia Project visit will be distributed to all ACTION mailing list recipients, included in the ACTION publications, the NCVA publications, sent to the NCVA mailing list and was sent to all of the weeklies in key states.

16. The mailing of the Volpe speech finally went out this week.

SD

17. I met with Malek concerning the new aging organization, and he was very impressed and very cooperative in getting his guys to move out in assuring us funding at our foe's expense. However, after having chatted with Todd, he raised cries of alarm that such an organization would hurt us politically because we would cut funds to Democratic groups, thereby leading ~~leading~~ them to criticize us. As you are well aware, groups like NCSC are going to criticize us anyway. Unfortunately, while I told Todd about the organization in confidence, he immediately told Flemming, who was particularly upset and called Malek. Malek seems to understand the value of the organization, and

is still working with us, but I have had to do some shoring operations with Flemming. I don't think this requires any action on your part but you should be aware of it. *Keep Malek on board*

8430

Weekly Staff Report

18. A mailing went out on Fr. Rocha's visit to a new long-term health facility for the elderly.
- ✓ 19. Frank Troy will be brought on board on July 5 to act as Flemming's scheduling --advanceman from now until the election. Fleming is still not completely on board on this one, but did agree to Troy's hiring. Malek has been very helpful in getting HEW to pick up the tab.

Bud
L. J. Evans, Jr.

Excellent report!

& good job

WR

✓ cc: Fred Malek

Dick - Be
Same cc goes
to Malek K

Project FIND

"To overcome the barriers which keep older Americans from full participation in food assistance programs, we are launching this year a major outreach campaign called Project FIND."

*—President's Special Message on Aging
March 23, 1972*

The Social Security Administration is cooperating with the U.S. Department of Agriculture in this Government-wide campaign. This leaflet, from the Department of Agriculture, is part of the effort to locate older persons who are eligible for food assistance.

A message about food

This leaflet has nothing to do with your Medicare protection, but the information in it could mean a great deal to you or to someone you know.

The leaflet tells about two Government programs that help people who don't always have enough money for food. In one program, people can buy food stamps worth more than the money they pay for them. In the other, surplus foods are given free to people in need.

Just about every county in the United States now has one or the other of these food programs, but many older people who are eligible have not applied. The Department of Agriculture, which has the Federal responsibility for these programs, has asked us to send this leaflet as one way to help get the word out.

Although you may not need help yourself, you may know people who do. It could mean a great deal to them if you would tell them about food assistance or pass along this leaflet, which describes how the food programs work.

Food stamp program

Most of the cities and counties in the United States provide food assistance to people through the Food Stamp Program. The program helps people living on small incomes to buy more and better food. They can get food stamps each month, paying less than the stamps are worth or, if they have very little money, they can get the stamps free. When they buy food at the grocery store, they pay with the stamps.

Most supermarkets and grocery stores will take food stamps. People can buy a variety of foods with food stamps, including foods needed for special diets. In some parts of the country, non-profit organizations deliver meals to people who can't prepare their own food. Where these programs are available, people over 60 who are unable to prepare their own meals can use food stamps to pay for home-delivered meals.

Whether a person is eligible for food stamps depends on how much his monthly income is and how much he has in savings or other assets.

A person living alone can't get food stamps if he has assets of \$1,500 or more. The \$1,500 limit also applies to families, regardless of size, unless one or more of the family members is 60 or older. In that case, the family may have assets of up to \$3,000. A home, life insurance policies, and personal property don't count as assets.

The amount of income an individual or family can have and still get food stamps depends on the number of people in the household. A person living alone can be eligible if his monthly income is \$178 or less. A couple can be eligible if their monthly income is under \$233.

The value of the food stamps a household can get each month depends on how many people are in the family. The amount a family pays for stamps depends on their income, figured on a sliding scale.

For example, a person living alone with a monthly income under \$20 would pay nothing for food stamps worth \$36 at the grocery store. If his income was \$95, he would pay \$16 for \$36 worth of stamps.

A couple with an income under \$20 a month would get free stamps worth \$64. If their income was \$115, the couple would pay \$26 for \$64 worth of stamps.

Here's a table that shows how the food stamp program works:

	Monthly income below	You pay	For food stamps worth
One person	\$178	0-\$26	\$36
Two people	\$233	0-\$44	\$64
Three people	\$307	0-\$74	\$92

People with income above these limits may also be eligible for food stamps if they have unusual expenses such as big medical or hospital bills or high rent payments.

June 30, 1972

MEMORANDUM FOR: CHARLES W. COLSON
SUBJECT: Office Space for New Organization

I am told that the Cafritz Corporation would give us free office space if we can assure them that it is tax deductible. Apparently, they have had trouble getting a ruling from Treasury stating that they could deduct such donated property as a Charitable contribution. Do you know who in Treasury we could get such a ruling from?

L. J. Evans, Jr.

A TRUE COPY

MALEK EXHIBIT NO. 30

AFFIDAVIT

1 This day before the undersigned Notary Public in
2 and for the District of Columbia, personally appeared
3 Frank C. Herringer, who, being by me first duly sworn
4 according to law, did on his oath depose and say as
5 follows:

7 I joined the White House personnel office staff
8 in October 1971, reporting to Dan Kingsley, who in turn
9 reported to Fred Malek. In late 1971 and early 1972, a
10 project called "Responsiveness" -- to keep Presidential
11 appointees informed of campaign strategies and priorities
12 during the election year -- was developed by Malek's
13 office. I learned of this project in January or February
14 1972, when, along with other members of the Malek/Kingsley
15 staff, I participated in some discussions regarding the
16 form that this effort might take.

17 Originally, I was told that I might personally
18 participate in the project, but I did not, because
19 shortly before it was to begin (April or May of 1972) my
20 responsibilities changed, and I became Malek's assistant.
21 I have little knowledge of the project from that point on,
22 with the exception of two incidents that I recall, which
23 are described below.

25 The project began with a series of meetings with
26 Cabinet Officers. Out of curiosity regarding the
27 direction of the project, and a desire to meet Secretary
28 Richardson, I accompanied Malek to a meeting at HEW in
29 May or June, 1972.

1 I recall that Malek showed Secretary Richardson
2 and his aides some maps of the U.S. on which "key states"
3 were colored, and also maps of the key states in which
4 "key counties" were indicated. It was suggested that
5 Departmental activities, such as speeches, should
6 concentrate on these areas to the extent possible and
7 appropriate. I thought the discussion vague, and quite
8 inconsequential. I recall feeling that the project was
9 a waste of time.

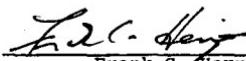
10 Shortly after the meetings with the Cabinet Officers
11 had been held, Malek became Deputy Director of the
12 Committee to Re-elect the President (July 1972), and many
13 of his White House duties, including the Responsiveness
14 project, were turned over to Kingsley.

16 Sometime later (probably during September 1972), a
17 carbon or Xerox copy of a "progress report" on the
18 Responsiveness project, from Kingsley to Haldeman, crossed
19 my desk on its way to Malek. I do not recall any
20 specifics of the report, but I believe it was similar to
21 an earlier "progress report" which was shown to me
22 recently and which is in the Committee's possession. I
23 scanned the report, or part of it, briefly and I recall
24 that I was generally disturbed by the descriptions in the
25 report of some of the individual actions that supposedly
26 had occurred in the Responsiveness project. While I did
27 not believe that anything inappropriate had actually
28 occurred, I felt that the exaggerated tone of the report
29 (as is equally true in the earlier report) could cause
30

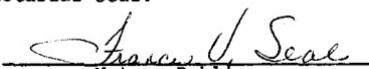
1 someone not familiar with the general staff practice of
2 exaggerated writing to think that inappropriate activities
3 were being carried on.

4 I sent the copy of the Progress Report along to
5 Malek, with a suggestion that he recommend to Haldeman
6 that the project (or at least the reports) be discontinued,
7 and possibly with a suggested draft memorandum for Malek
8 to send to Haldeman, if he agreed.

9
10 A few days later, Kingsley's secretary collected from
11 my secretary materials in Malek's and my files relating to
12 the early stages of the development of the "Responsiveness"
13 project. As far as I can recall, that was the last I ever
14 heard of the project.

15 
16 Frank C. Herringer
17 Affiant

18 Taken, subscribed and sworn to by Frank C. Herringer
19 before me in the District of Columbia, this 26th day of
20 November, 1973.
21

22 Witness my hand and Notarial Seal.
23 
24 Nancy J. Seal
25 Notary Public
District of Columbia
26

27 My Notarial Commission expires May 31, 1977

TUESDAY, MAY 28, 1974

U.S. SENATE,
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES,
Washington, D.C.

The Select Committee met, pursuant to notice, at 9:45 a.m., in room G-334, Dirksen Senate Office Building.

Present: Senator Inouye.

Also present: James Hamilton, assistant chief counsel; Gordon Freedman, staff assistant.

Senator INOUYE. Do you swear that the testimony you are about to give is the truth, the whole truth, and nothing but the truth, so help you God?

Mr. EVANS. I do.

Senator INOUYE. Would you state your name and address for the record?

TESTIMONY OF L. J. EVANS, JR., ACCCOMPANIED BY ANTHONY
LAPHAM, COUNSEL

Mr. EVANS. L. J. Evans, Jr., Warrenton, Va.

Senator INOUYE Is that all you need me for?

Mr. HAMILTON. Yes.

Mr. Evans, for the record, would you state your attorney's name?

Mr. EVANS. Anthony Lapham.

Mr. HAMILTON. And what is your present position in the Government?

Mr. EVANS. Presently I am a Deputy Assistant Director of the Office of Policy and Planning for ACTION.

Mr. HAMILTON. How long have you been in that position?

Mr. EVANS. Oh, approximately 1 month.

Mr. HAMILTON. And where were you before that?

Mr. EVANS. I was also in ACTION and I was an assistant general counsel.

Mr. HAMILTON. When did you assume that position?

Mr. EVANS. About July, I think it was July 3, 1973.

Mr. HAMILTON. Before July 1973, where were you?

Mr. EVANS. I was in the U.S. Marine Corps from January 6, 1973, through May 30, 1973.

Mr. HAMILTON. And before January 6?

Mr. EVANS. I was in the White House.

Mr. HAMILTON. As?

Mr. EVANS. As a staff assistant to the President, and that timeframe was some place like July or August of 1971 through December of 1972.

Mr. HAMILTON. And before you came to the White House, where were you?

Mr. EVANS. I was at the Department of Transportation. I don't know what it was called, but some legal title. I don't know. Not assistant general counsel, but something along the lines of that.

Mr. HAMILTON. While at the White House from—you said July of 1971 until January of 1973—is that correct?

Mr. EVANS. January of 1972, I mean, December of 1972.

Mr. HAMILTON. December of 1972. While at the White House what were your duties?

Mr. EVANS. Primarily they related to senior citizens in terms of being their advocate within the White House and being liaison with all outside organizations that dealt with senior citizens in terms of trying to impact upon potential legislation that affected the elderly. Those were generally the duties.

Mr. HAMILTON. Who was your immediate supervisor?

Mr. EVANS. Originally it was George Bell. He died sometime in 1972 and not too long before he died my immediate supervisor changed to Chuck Colson.

Mr. HAMILTON. Do you know when you started reporting to Colson?

Mr. EVANS. I don't know the exact date. As I say, it was probably sometime before late spring of 1972.

Mr. HAMILTON. Why did your reporting chain of command change to Colson?

Mr. EVANS. Well, a couple of things. First, Mr. Bell had cancer and he could do less and less. Originally he headed up Mr. Colson's staff as far as senior citizens' needs were concerned and he phased out of that as he got sicker and he also picked up additional responsibilities in the small business and the labor field. And as he picked up more of those and he spent less time in the office because he was sick, then he threw more to me in the senior citizen area.

Mr. HAMILTON. So you were reporting to Mr. Bell and Mr. Bell was reporting to Mr. Colson?

Mr. EVANS. Right.

Mr. HAMILTON. And after Mr. Bell left, you started reporting directly to Mr. Colson. Did you have any reporting relationships to Fred Malek?

Mr. EVANS. No; I talked with Mr. Malek at times, but I didn't report to him.

Mr. HAMILTON. Did you have any contemporaneous knowledge—and when I say "contemporaneous," I mean in 1972 or late 1971—any contemporaneous knowledge concerning what is now known as the Responsiveness Program?

Mr. EVANS. No. First of all you would have to define what the Responsiveness Program is. The first I ever heard of it was when Tony mentioned it to me the other day. So I don't know exactly what you mean by the Responsiveness Program today. So maybe if you define it?

Mr. HAMILTON. Well, I think the best definition that I can give from the evidence and the testimony that we have received is that the Responsiveness Program was a program to make the departments and agencies of Government responsive to the President's reelection needs, in other words, to make the departments and agencies think and act in political terms.

Mr. EVANS. OK. I guess that my answer would be, first, I didn't know that there was such an overall program, and second, that is not to say that I didn't, as I dealt with various organizations, attempt to gain their favorable consideration, whatever, for whatever the administration was doing. So it wasn't linked to anybody telling me that there was an overall program to do that.

Mr. HAMILTON. Let me ask the question this way. What projects did you work with Mr. Malek on or with members of Mr. Malek's staff?

Mr. EVANS. Well, we worked on a few things together in that we—I worked with Dan Todd, who I assume would be considered on his staff at that point in time, to attempt to get out the word as far as what the Government was doing on behalf of senior citizens. I worked with him as far as communicating with the elderly in terms of, they would do studies as far as what States were considered the most important and would let us know or would let me know, you know, which of the States they hoped we could get the most impact on as far as getting speakers. Now, that is another area in terms of they had that Speakers' Bureau, and when I could get a speaker to go out or if I could help get a speaker to go out and it would fit into their overall schedule, we tried to match the two schedules together.

I don't know, Jim, I'm sure there were other things, but that is pretty much the parameters.

Mr. HAMILTON. Are you familiar with an organization called The Federation of Experienced Americans?

Mr. EVANS. Yes, I am.

Mr. HAMILTON. And are you aware that this organization has a contract from the Department of Labor?

Mr. EVANS. Yes; I was aware that they were given one.

Mr. HAMILTON. And were you aware that it was also given a grant from the Office of Economic Opportunity?

Mr. EVANS. Yes.

Mr. HAMILTON. Do you know of any other governmental grants or contracts that this operation acquired?

Mr. EVANS. No; I don't.

Mr. HAMILTON. Do you know if they received any type of grant or contract from AOA?

Mr. EVANS. I don't think so. Not to my knowledge.

Mr. HAMILTON. Off the record.

[Discussion off the record.]

Mr. HAMILTON. Back on the record.

Do you know if they received, if this organization received any contract or grant from HEW?

Mr. EVANS. I don't think so. Not to my knowledge.

Mr. HAMILTON. Do you know if any attempt was made to get a grant or contract from the Administration on Aging?

Mr. EVANS. Yes, I do.

Mr. HAMILTON. An attempt was made?

Mr. EVANS. Yes; I think it dealt with a communications plan, and the idea—and I don't think—in fact, I know it didn't go very far—and the idea though was to attempt to get out the word to older people on what Government benefits were available to them. There was something like—well, at the time there was slightly over \$50 billion worth

of programs the Federal Government was running on behalf of older people, and we found that a number of elderly did not take advantage of those programs, and the thought was that if you could find some way to get the word out to them, more people would be able to utilize benefits which were available to them.

Mr. HAMILTON. So, a proposal was put to AOA to further this goal. Is that what you are saying?

Mr. EVANS. I don't even know that it got into the proposal stage. I don't know what stage it got into. I don't know all of the details on it. I know that somehow there was a dialog, you know, that this was a possible thing that might be worthwhile to do. I don't know if that was in terms of a rough proposal, if it was in terms of memorandums, I don't remember the exact form of that.

Mr. HAMILTON. Let me go back to the Department of Labor grant, I wonder if you would tell us what you know about this grant, how the—I am sorry, this was a contract, a Department of Labor contract. I wonder if you would tell us what you know about this contract, the process leading to its award, your participation in this process?

Mr. EVANS. OK, that is pretty broad. I guess originally the President at the White House Conference on Aging, which I think was November of 1971, pledged that he was going to either double or triple the funding of what was called Operation Mainstream. Operation Mainstream is that area of the DOL manpower programs which helps the elderly workers that are 55 and older.

Then, sometime after that speech, Malcolm Lovell got in touch with me and said, "We got something like \$15 billion worth of additional moneys and we don't know how we are going to spend them—"

Mr. LAPHAM. Is that million or billion?

Mr. EVANS. Did I say billion? I meant million. "Do you know of organizations which can do this job, which can help spend the money?"

I said, "Certainly, there were a number of them." They sent me a listing of the organizations which were presently doing that kind of work. Some of those were willing to accept additional moneys; some were not. We worked across a spectrum of elderly organizations.

And then I said, "There is a possibility of a new organization being formed which I had in mind, the Federation of Experienced Americans, which may be able to do this."

And he said, "Fine, let us know."

So then through a number of—

Mr. HAMILTON. Can I interrupt a second? How did you know there was a new organization being formed?

Mr. EVANS. Because I had talked with people about getting a new organization formed for a number of reasons. For one, because it was my feeling that there was a need for fresh blood, new blood, vigorous blood that could come up with some new ideas and new approaches to help the old people; and second, I thought there was a need to get into some of the minority ethnic areas, to help their elderly, which was not being done; and third, I felt that there was a need to better communicate to older people what was available, that is, what we talked about before.

So as a result I had talked with various aging leaders and said, "What do you think of the idea?" And a number of them responded favorably. And through their efforts, and I helped coordinate their

efforts, we pooled together a number of people and they ended up forming this organization called the Federation of Experienced Americans. So that was how I knew.

Anyway, over the long run through a number of meetings and so on, eventually DOL issued that \$1 million contract to the Federation of Experienced Americans.

Mr. HAMILTON. You say, "A series of meetings." Are these meetings that you participated in?

Mr. EVANS. I participated in a small number, and I don't remember the exact number. I think it boils down to two or three, but I don't know the exact number.

Mr. HAMILTON. Did you issue any directive from the White House as to how any of this expansion money should be spent?

Mr. EVANS. There was no directive. It was very much a give and take. As I say, there was a need in Malcolm Lovell's mind anyway, and the DOL to find a way to expand the additional \$15 million worth of moneys before the end of the fiscal year.

Mr. HAMILTON. I believe it was \$13 million.

Mr. EVANS. \$13 million? OK.

Mr. HAMILTON. So, is it your testimony that you didn't direct that at least the \$1 million of this money be given to FEA?

Mr. EVANS. No; it was not—if you are saying, did I order them to spend \$1 million for FEA, it wasn't that; no. It is my testimony that I didn't say, you have to spend \$1 million. It is very different from that.

Mr. HAMILTON. Did you try to get the Department of Labor to cut back on its funding for the National Council on Aging and the National Council of Senior Citizens?

Mr. EVANS. OK, now you get into a problem when you say "cut back."

Mr. HAMILTON. Or terminate. Cut back or terminate.

Mr. EVANS. Well then, the answer to that is, if cut back is analogous to terminate, no. What I did try to do was to decrease their proportional increase in that funding. In other words, each of those organizations received additional funding from that \$15 million, from the original \$13 million that they had, and certainly in getting more money to go to organizations which were not hostile, we attempted to cut back their proportionate share.

Mr. HAMILTON. When you say "hostile" what do you mean? Hostile to whom?

Mr. EVANS. Well, to the administration in terms of—let's talk about the National Council on Senior Citizens, for example. They were originally formed as Senior Citizens for Kennedy-Johnson in 1960. They later converted over to the National Council of Senior Citizens, funded largely by the AFL-CIO.

They held a number of antiadministration political rallies. Their publications were continuously hostile. Certainly part of the overhead, which was supporting the staff to do that kind of work, was coming out of grants such as this. So that certainly led us to desire to cut their proportionate increase.

Mr. HAMILTON. But it is your testimony that, even though you wanted to cut their proportional increase, you didn't try to have them terminated?

Mr. EVANS. No; as the facts indicate.

Mr. HAMILTON. What facts?

Mr. EVANS. The fact that they all got an increase. They weren't shut off from the additional amount of money.

Mr. HAMILTON. Is it your understanding that they got the increase that was internally recommended by the Labor Department?

Mr. EVANS. I don't know that.

Mr. LAPHAM. Which organization does that question refer to?

Mr. HAMILTON. Both of them; the National Council on Aging and the National Council of Senior Citizens.

Mr. EVANS. I don't know that one way or the other, Jim, because I wasn't privy to that information.

Mr. LAPHAM. Internal, as used in that question, would refer to the Department of Labor?

Mr. HAMILTON. Well, to staff recommendations within the Department of Labor.

I mean, I believe it was Mr. Evans' testimony that these organizations got a proportional increase, and my question was, does he know whether they got the proportional increase that was recommended by staffers within the Department of Labor?

Mr. LAPHAM. Thank you.

Mr. HAMILTON. And your answer?

Mr. EVANS. And my answer is I don't know.

Mr. HAMILTON. As to this Labor Department contract, would you say that you were actively involved in attempting to get this award for FEA? Is that a fair statement?

Mr. EVANS. The fair statement, I think, is that in response to an inquiry by a fairly high Department of Labor official, I attempted to increase the amount of money going to groups that were not hostile to the administration amongst which was the Federation of Experienced Americans.

Mr. HAMILTON. Did you communicate with Mr. Malek on this project?

Mr. EVANS. I think he knew at some point along the line, but certainly was not involved in the—I don't think he really knew the flow of the bids or anything. So I may have talked with him once or twice, but not often.

Mr. HAMILTON. Did you take any other action on this grant, on this contract, besides talking with the Department of Labor? For example, did you attempt to get any type of a tax ruling as to the charitable status of this organization, any type of ruling as to whether contributions to them would be tax deductible?

Mr. EVANS. I don't think we—no, there is no ruling. The only thing that I did was that a Mr. George Webster was recommended to me as someone who could do the papers and the articles of incorporation and could go to the IRS with all of the forms for getting a tax-exempt status, which he did, free of charge. But that is the only thing that was done with the IRS.

Mr. HAMILTON. Who is George Webster?

Mr. EVANS. He is a lawyer in Washington. He's got a law firm in Washington.

Mr. HAMILTON. Did you contact anybody in the Treasury Department as to whether property donated to FEA—office space—could be considered a charitable deduction?

Mr. EVANS. God, I don't know, Jim. I don't remember that, but I do remember that someone was going to donate office space. And I don't—and I thought that I probably would have talked with George Webster about that, but I don't know if there was any contact with the Treasury Department or not. I don't think there was, but I can't be absolutely sure on that one.

Mr. HAMILTON. Let me ask you some questions about the OEO grant. What do you know about that particular grant and what was your role in getting FEA funded by OEO?

Mr. EVANS. OK. I guess what happened was on that, that I know of, because I talked with Mr. Binda and Mr. Phillips, the three of us talked about the fact that Senator Church had written about doing something to help the Spanish-speaking elderly.

Mr. HAMILTON. Is that Mr. Howard Phillips?

Mr. EVANS. Right.

Mr. HAMILTON. And what was his position?

Mr. EVANS. At the time, I don't know whether—I think his position was still—I guess, deputy assistant director or assistant director or something along those lines. I don't even remember exactly what his title was, but I think that was before he became director, Jim. I am not sure of the exact time sequence.

Mr. HAMILTON. What is Mr. Binda's full name?

Mr. EVANS. Jeffrey Binda.

Mr. HAMILTON. And what was his position?

Mr. EVANS. He was the head of Senior Citizens after—well, I don't know the exact job, but his job was to head up all senior citizens programs.

Mr. HAMILTON. Did you talk to anybody else over there?

Mr. EVANS. Yes, eventually we talked—I think I talked to a couple of people, but I don't remember the specific names. I know that—well, I am not sure whether I talked to, I think it is Mr. Ray Bachelor. I may have talked with him.

Mr. HAMILTON. Who is he?

Mr. EVANS. I don't even know what his title is. I can't be absolutely sure on who all we did, but mostly I didn't talk very much with anybody else, and mostly I talked with Mr. Binda—to some extent Mr. Phillips.

Mr. HAMILTON. Go ahead.

Mr. EVANS. But in any event, there had been a problem, which several people had raised, with NCOA contract at OEO, in terms of a publication they put out under it, which was funded by Government money, which took a very hostile position again toward the administration, which I got several inquiries from various White House staff on why that was being funded.

Mr. HAMILTON. Who were the inquiries from?

Mr. EVANS. From Jeff Sheppard and Des Barker.

So in looking into that I talked with both Binda and Phillips. Phillips' response was that the NCOA contract had been a sole source con-

tract and that next time it was definitely going to be open to some kind of bidding.

Well then, I guess at some point along there, Mr. Binda was assigned to work with the FEA in terms of coming up with a proposal for Spanish-speaking elderly, which they did, and eventually that was funded. All the specific steps in there I am not aware of.

Mr. HAMILTON. What other participation did you have in the process?

Mr. EVANS. I really didn't have much other than talking with the two of them. And as I say, I may have talked with one or two other people on limited occasions, but that is about it.

Mr. HAMILTON. Did you direct OEO to fund the FEA proposal?

Mr. EVANS. No, again it wasn't a direction. It was a give-and-take as we talked it out between the various people.

You couldn't direct a department or an agency to fund something. It just didn't work that way. You know, if you said you had to do this, the response was, "Baloney, we don't have to do anything."

Mr. HAMILTON. Did you instruct OEO to limit the contract extension with NCOA and upon completion of the contract to award—to grant the contract that they had to FEA?

Mr. EVANS. Again, that was a give-and-take. I certainly said—you know—in my opinion that would be desirable.

Mr. HAMILTON. Is it your testimony that you didn't give any instruction?

Mr. EVANS. Well again, you know, I guess—how do you interpret, "Yeah, I think that is a good way to go?"

But it wasn't. "You have to do it that way." Because the response to that, as I said before, would be, "No we don't."

Mr. HAMILTON. Between the time that FEA first made the contact with OEO and the time the grant was actually awarded, did you make frequent telephonic contacts with OEO to check on the progress of the grant?

Mr. EVANS. First of all, I guess you would have to define what "frequent" means. I would say that from time to time I talked with Jeff Binda and to a much lesser extent to anybody else.

Mr. HAMILTON. Anybody else being whom?

Mr. EVANS. Well, being Phillips or possibly Bachelor once or twice, you know.

Mr. HAMILTON. Who was Phillips' executive assistant? Was that Bachelor?

Mr. EVANS. I don't think so. I—but I don't know, you know, one of the things I am not sure of is, the exact sequence of timing of this. I am not sure exactly what Mr. Phillips' position was. I mean, I don't know who he had as an assistant. You know, later on, he ended up getting a guy by the name of McKay or McCabe, but I don't think McKay was there at the time.

Mr. HAMILTON. Did you have any contact with Mr. Eitreim?

Mr. EVANS. That name is familiar. Now whether I ever talked with him—I knew of him through Mr. Binda, but whether I ever talked with him, I am not sure. It was certainly limited.

Mr. LAPHAM. Do you know who he is?

Mr. EVANS. Just as I say, I know the name because Mr. Binda men-

tioned—used to mention it. He dealt with the elderly stuff in OEO. I assume he worked for Mr. Binda.

Mr. HAMILTON. What was Mr. Colson's role in the DOL and OEO matters?

Mr. EVANS. Well, I don't think he had any role in OEO. In DOL he may have—and I don't even know that he had—this is the case. He may have called someone in DOL at one point in time. That is about all.

Mr. HAMILTON. Whom would he have called?

Mr. EVANS. God, it could have been any number of a number of people. It could have been Silberman, it could have been Lowell, and I guess it could have even been the Secretary. I just don't know.

I don't remember if he did, much less whom.

Mr. HAMILTON. Were you aware that in the fall of 1972, FEA was preparing radio spots featuring Burl Ives advertising certain administration programs?

Mr. EVANS. I was aware that he was preparing or that they were preparing radio spots; yes. I am not sure that that is what they did. And I would say again they talked in terms of overall elderly programs.

Mr. HAMILTON. Was that being done under the auspices of the Department of Labor contract?

Mr. EVANS. No; it is my understanding it was done out of a private contribution that they had received.

Mr. HAMILTON. Private contribution from whom?

Mr. EVANS. Someone from the 3-M Corp., whose name I don't remember. But they goth \$5,000. They got a \$5,000 donation.

Mr. HAMILTON. To do that?

Mr. EVANS. Well, they got a \$5,000 contribution. I don't know if it was specifically to do that.

Mr. HAMILTON. So Department of Labor money was not used for that?

Mr. EVANS. That is my understanding. I didn't get involved in the day-to-day operation of the organization, but it is my understanding that they relied on the contribution that they received.

Mr. HAMILTON. Well, did you ever receive copies of those spots and recordings or transcripts of them?

Mr. EVANS. I did. I received the final tape which, you know, if you like, I have no problem with making it available to you. It would probably drive you nuts because it is Burl Ives singing Mountain Dew. It is not one of the most exciting songs in the world.

But in any event, they are interesting tapes, and you might want to listen to them.

Mr. HAMILTON. Well, I am going to ask you to produce documents and records that you have in relationship to the things we have talked about and, in fact, in a day or so, I am probably going to serve you a subpoena for this material. So I don't—

Mr. EVANS. You don't have to give me a subpoena.

Mr. HAMILTON. Well, I may do it just because it is the way we do it. Is it your understanding that these tapes were politically oriented?

Mr. EVANS. No; they are not. If you will listen to it, I don't think you will get that impression. The only thing you can say toward the political side of it is, that any word that gets out that is positive about

what is being done on behalf of older people obviously creates a favorable impression that something is being done on behalf of people who are going to vote. So if you want to take that kind of logic, then you can say, "Yes, they are political." But they were certainly much less political than most of what was being done by the other organizations in terms of their own communications—

Mr. HAMILTON. Do you know what the distribution of those tapes was?

Mr. EVANS. No; other than I know they were sent to a number of radio stations across the country.

Mr. HAMILTON. Do you know how it was decided what stations they were sent to?

Mr. EVANS. I think the only thing I know about that—and this goes back to what I said about Todd—was that Todd sent over a list of priority States and I think that they were confined to those priority States, some number of them. I don't know what the number was. I don't know, you know—

Mr. HAMILTON. So the FEA spots were sent to priority political States?

Mr. EVANS. Yes.

Mr. HAMILTON. So then, it is fair to say that the spots did have a political purpose?

Mr. EVANS. It is fair to say that, as I went through the step-by-step logic before, that any time you get something positive out that showed that something is being done on behalf of elderly people, it creates a favorable impression, which favors the administration that is in power.

Mr. HAMILTON. But the point that I was trying to make, the point of my question was, whether or not because the spots were sent to priority political States, they were used with a political purpose in mind by FEA?

Mr. EVANS. Well I don't know if I would go that far, Jim. I guess, you know, you can draw your own conclusions.

Mr. HAMILTON. I was asking for yours.

Mr. EVANS. My conclusion is that there was good that could be done, no matter which States they went to. They had a limited number of resources so they went to those particular States.

Mr. HAMILTON. And is it your understanding that the Department of Labor money was not used for this project; it was 3-M money?

Mr. EVANS. That is my understanding; yes.

Mr. HAMILTON. I want to show you some documents. The first document I am going to show you is a document dated June 30, 1972.¹ It is a memorandum for Charles W. Colson. The subject is "Weekly Staff Report." And it has L. J. Evans on the back page with Bud written over it.

Mr. EVANS. Signed by my secretary.

Mr. HAMILTON. Signed by your secretary? Are you familiar with this document?

Mr. EVANS. Well, it looks like a weekly report, and I assume it is.

Mr. HAMILTON. Is the handwriting on the side Mr. Colson's?

¹ See Malek exhibit No. 29, p. 8427.

Mr. EVANS. Yes.

[Discussion off the record.]

Mr. LAPHAM. Are you going to ask him some questions about the contents of that?

Mr. HAMILTON. Yes.

Mr. LAPHAM. I wonder if I might have a copy of it, and if I could look at it?

[Discussion off the record.]

Mr. HAMILTON. Back on the record.

Now, I would like to focus your attention on item 6. It is on the second page. And item 6 says, "The final approval from DOL of the \$1 million grant to the new aging organization has come in. Regarding this organization, please see tab B which concerns free office space."

Now I will read you tab B,¹ because you don't have it. It is not on the copy that we brought in here. But tab B was a memorandum from you to Mr. Colson, and it said this:

I am told that the Cafritz Corporation would give us free office space if we can assure them that it is tax deductible. Apparently they have had trouble getting a ruling from Treasury stating that they could deduct such donated property as a charitable contribution. Do you know who in Treasury we could get a ruling from?

Do you remember writing a memorandum of this type to Mr. Colson?

Mr. EVANS. Yes; I think that sounds like—I think this fits in with what I said earlier, in that he wrote in here, "Check with Webster" and I assume that is what I probably did.

Mr. HAMILTON. Did you contact anybody in Treasury about it?

Mr. EVANS. Well, again I don't remember having done that, but you know, I can't say, "Absolutely never talked to anybody in the Treasury" kind of thing, but it looks to me like what I did was what I originally remembered, was talk to Webster.

Mr. HAMILTON. Now focusing on item 17, and I am going to read this into the record:

I met with Malek concerning the new aging organization and he was very impressed and very cooperative in getting his guys to move out in assuring us funding at our foe's expense. However, after having chatted with Todd, he raised cries of alarm that such an organization would hurt us politically because we would cut funds to Democratic groups, thereby leaving them to criticize us. As you are well aware, groups like NCSC are going to criticize us anyway. Unfortunately while I told Todd about the organization in confidence, he immediately told Flemming, who was particularly upset and called Malek. Malek seems to understand the value of the organization and is still working with us, but I have had to do some shoring operations with Flemming. I don't think this requires any action on your part, but you should be aware of it.

I take it that the note at the bottom that says, "Keep Malek on board" is from Colson. Is that correct?

Mr. EVANS. Yes.

Mr. HAMILTON. Let me ask you a question that I asked a little bit earlier and that is, what was Malek doing regarding the funding of FEA?

Mr. EVANS. To my knowledge he wasn't doing anything. You know, about all he was doing was saying, "Great."

¹ See p. 8433.

Mr. HAMILTON. Well, this paragraph says that Malek was cooperative in getting his guys to move out and assuring "funding at our foes' expense."

Mr. EVANS. Well I don't even know what that means in retrospect, because I don't remember him really doing anything for us. I don't know. I just, you know, I can't give you an answer to that because I don't know.

Mr. HAMILTON. Which foe are you talking about here?

Mr. EVANS. Well, in looking back at it, I don't know if I am talking about a specific foe or if I am talking about organizations that were antiadministration in general, you know, that is—as I say, it looks to me like all I did was quickly dictate it and my secretary signed it, so I probably didn't even read it, you know, take stuff like that, you know, and then to get it into specifics. So I just don't know.

Mr. HAMILTON. Well, is it fair to say that you were working on limiting the funding to groups like NCSC because they were speaking out against the administration?

Mr. EVANS. Limiting, certainly, to the extent of trying to keep them from getting additional funding.

Mr. HAMILTON. Even if programmatically they were good organizations?

Mr. EVANS. Well this comes down to, if you have two organizations that are capable of doing the same work, and you have discretionary funds, are you going to, you know, and you have a choice on which one you are going to fund, someone who is out to make the administration look bad or someone who is out without that purpose, even if it is just a neutral purpose of not to do anything political, you take the non-political one obviously.

Mr. HAMILTON. Do you think FEA came up to the standards of NCSC and to the other group, the National Council on Aging, the NCOA?

Mr. EVANS. Well, I think then you get into degrees, and I don't know how you answer that one. The question is whether they were qualified to do the work, and I think that they were qualified to do the work; yes.

Mr. HAMILTON. What is your opinion as to why Todd was upset?

Mr. EVANS. I don't know. One of the possibilities was that Flemming was the roommate of Cruikshank, who headed up the National Council of Senior Citizens. Todd worked for Flemming and Flemming was very upset and probably told Todd that he should be upset because this might impact negatively on Flemming's old roommate. You know, what is going on in Todd's mind I can't tell you.

Mr. HAMILTON. You don't know if Todd was upset with the caliber of the people who were running FEA?

Mr. EVANS. I have no idea about that. We didn't talk about it.

Mr. HAMILTON. What was your connection with the people who founded and were running FEA? Did you have some prior connection with them?

Mr. EVANS. I didn't have prior connections with any of them with the exception of Dr. Baker, who is on the board of directors, who had started a nursing home and had been very interested in the elderly area. So I knew him.

Mr. HAMILTON. He was the only one that you knew?

Off the record for a minute.

[Discussion off the record.]

Mr. HAMILTON. Back on the record.

You said that you felt that FEA was a qualified organization. Are you aware of the GAO investigation regarding—

Mr. EVANS. I am aware of an investigation. I haven't seen the report.

Mr. HAMILTON. I am not sure that the report is public yet. I don't think we need to go into all their findings, but I think I should state for the record that GAO finds, both in programmatic and financial respects, that FEA was deficient and both DOL and OEO have now notified FEA that it would not be in the best interest of the Government to refund the present programs of FEA.

Mr. LAPHAM. I wonder if that—

Mr. HAMILTON. This is not a public document.

Mr. LAPHAM. Would it be a public document by the time the transcript of this session is made public?

Mr. HAMILTON. I don't know. My information is that its publication is imminent, but I don't know when it will be published.

Mr. LAPHAM. I wonder if it does become—if that document does go into the public domain, whether it might be made an exhibit to this executive session so its contents can speak for themselves? We haven't had an opportunity to review it.

Mr. HAMILTON. Well, I think that is fair, and I am going to refer to it later on, so I think that is fair.

I have another memorandum here, and I only have one copy of this, so we are going to have to share this, but this is a memorandum dated August 31, 1972 from you to Rob Davison, and it says: "Burn before reading; eyes only."

[The document referred to was marked Evans exhibit No. 1.*]

And I would like for you to look at it and, when you are finished looking at it, give it back to me for questions. First of all, who is Rob Davison?

Mr. EVANS. He was a member of the personnel staff, I think, working with Malek.

Mr. HAMILTON. Why would you be sending this memorandum to him?

Mr. EVANS. I think he was responsible for liaison with HEW out of Malek's shop.

Mr. HAMILTON. You didn't send this memorandum in his connection with personnel?

Mr. EVANS. I assume that he had additional liaison duties with HEW.

Mr. HAMILTON. Did this have something to do with his role in Malek's shop, in making the departments and agencies more responsive to the President's reelection needs?

Mr. EVANS. That is what this would indicate; yes.

Mr. HAMILTON. And did you send this memorandum to him to get him to act in that regard?

Mr. EVANS. Yes; the idea was to motivate him.

* See p. 8487.

Mr. HAMILTON. Do you know what Mr. Davison did in response to this memorandum?

Mr. EVANS. No; I don't know the specifics of it, but the proposal never went any place, so I assume that not much was done.

Mr. HAMILTON. Are you familiar with a brochure entitled, "The President Cares," a campaign brochure? I think I have a copy of that.

Mr. EVANS. Well, I think that was one that was done by the re-election committee.

Mr. LAPHAM. What is the title of that again?

Mr. HAMILTON. I believe it is "The President Cares."

Mr. EVANS. Well, I knew of it.

Mr. HAMILTON. Did you request that the campaign committee send copies of this brochure to FEA so FEA could distribute it?

Mr. EVANS. No; we talked about that. Todd and I talked about it and decided not to.

Mr. HAMILTON. Let me show you another memorandum here, to you from Dan Todd, and the subject is, "1701 Brochures," and the date is August 18, 1972. Does this memorandum reflect your conversation?

[The document referred to was marked Evans exhibit No. 2.¹]

Mr. EVANS. That may reflect it, but we never sent those brochures to FEA and I don't think they ever got to me either. And in fact, which makes me think what happened was Todd thought we ought to use the FEA to distribute them and I thought that probably would not be a good idea in light of their nonpolitical status.

Mr. HAMILTON. Well, Mr. Todd's statement to the committee staff was that you requested that the brochures be forwarded to FEA for distribution and that Todd forbade such activity. Now does that differ from yours—

Mr. EVANS. I think that is different from mine, but that doesn't surprise me that he would say that.

Mr. HAMILTON. Why doesn't it surprise you?

Mr. EVANS. Well, because Todd and I never saw eye to eye and we certainly were not very close. So that kind of snip wouldn't surprise me.

Mr. HAMILTON. I would like to read you some pages from this GAO report that I have referred to and I think I should identify it for the record better than I have previously.

This is a report to the Special Committee on Aging and Subcommittee on Aging, Committee on Labor and Public Welfare, U.S. Senate, concerning an award of a contract and a grant to the Federation of Experienced Americans, Inc., and related financial and program activities. The report is by the Comptroller General of the United States and the date of the report is May 14, 1974.

[The document referred to was marked Evans exhibit No. 3.²]

I would like to read to you page 13 of this report:

The former Assistant Secretary—

Which is Mr. Lovell.

advised us that the White House took an active role in directing the Labor Department as to how the expansion moneys were to be spent. The White House

¹ See p. 8488.

² See p. 8489.

staff member involved was identified as L. J. Evans, Jr. According to the former Assistant Secretary, the White House wanted \$13 million in expansion moneys to go to organizations considered friendly to the administration. Labor's initial allocation plan did not satisfy this requirement and, according to the former Assistant Secretary, Mr. Evans and the former executive assistant—

And this is to the Assistant Secretary and it is Mr. Brad Reardon. worked out a compromise plan which called for awarding a \$1 million contract to an organization to be selected by the White House. This occurred in February 1972.

Now does that passage comport with your recollection of what transpired?

Mr. EVANS. No; not at all. There was a positive effort made on the part of Mr. Lovell to determine how to spend that additional \$13 million and there was a concern that it would not be expendable within that fiscal year and the effort was made in terms of getting a number of organizations additional money and FEA was just one of a large picture which would include considerable increase for the National Retired Teachers Association and some others. So, no, that doesn't.

Mr. LAPHAM. There was a good deal of material in that if it was a paragraph that you read. I wonder if it might assist Mr. Evans in responding to that question more fully if he could see that?

Mr. HAMILTON. Yes.

Mr. LAPHAM. If he could have that material in front of him to read?

Mr. HAMILTON. Yes; I think so. This is the paragraph I read there [indicating].

Mr. EVANS. OK, there are a couple of things in that—first, on the directing, there was no way in the world that you could direct—that I certainly couldn't as staff assistant—direct Malcolm Lovell to obligate funds on behalf of organizations I told him to obligate them to. That was a fact of life.

The second part, the part here "The compromise plan was supposedly awarding a \$1 million contract to an organization selected by the White House," in actual fact Reardon asked me if I didn't know of some organizations that could take more than \$1 million. So there is a definite conflict in terms of that.

They were searching for ways to allocate that additional funding and the object was not in them limiting to \$1 million, it was just the other way around.

Mr. HAMILTON. So there was no compromise plan as this report states?

Mr. EVANS. Well, I guess, yes; there was a compromise plan. The compromise plan was that, as far as I was concerned, no new organizations should get more than \$1 million just starting off.

Mr. HAMILTON. Well, actually FEA got more than \$1 million. Did you know that?

Mr. EVANS. No, I didn't.

Mr. HAMILTON. FEA got \$1½ million.

Mr. EVANS. As a matter of fact I did not know that. I thought they got \$1 million even. That is the first time I heard that.

Mr. HAMILTON. \$1,540,000 for services from 1972 to January 31 of 1974

Mr. LAPHAM. Is that just the DOL contract?

Mr. HAMILTON. Yes.

Mr. EVANS. They must have gotten a 6-month extension then.
 Mr. HAMILTON. Well, they might have. I don't know.
 This GAO report continues on page 13:

The former Executive Assistant told us the White House wanted Labor to cut back and/or terminate funding for two of the Operation Mainstream national contractors—the National Council on Aging and the National Council of Senior Citizens.

Now does that statement comport with your recollection of your discussions with Mr. Reardon?

Mr. EVANS. It corresponds, as I said earlier, we wanted a proportional decrease in their increase in funding. If you follow that, an additional \$13 million on top of the original \$13 million. In working with that additional \$13 million, it was hoped that their increase in funding would be of a lesser proportion than their original \$13 million of funding.

And I am not even sure how that finally worked out and whether that is the case but we certainly talked in terms of that.

Mr. HAMILTON. So it is your testimony that you didn't ask Labor to cut back on the funding they now have?

Mr. EVANS. Now, not at all.

Mr. HAMILTON. Or to terminate their funding?

Mr. EVANS. Definitely not.

Mr. HAMILTON. So your testimony is contrary to the testimony that is reported here of Mr. Reardon?

Mr. EVANS. Well, I think as I read that it said "and/or" and as I read that "and/or" that doesn't say that I asked them to terminate. That says, that to his recollection, I either asked him to cut back what they were going to get in terms of an increase or to terminate. And he is not sure which.

So I am not sure this is a conflict.

Mr. LAPHAM. In fact, that sentence you just read doesn't refer specifically to Mr. Evans, does it?

Mr. HAMILTON. It says: "The former executive assistant."

Mr. LAPHAM. But by that you thought that was a reference to Reardon?

Mr. HAMILTON. I am sorry, it says: "The former executive assistant told us the White House wanted Labor to cut back."

Mr. LAPHAM. So it doesn't refer specifically to Mr. Evans?

Mr. HAMILTON. No, but the paragraph above it says: "The White House staff member involved was identified as L. J. Evans, Jr." I will be happy to let you read those two paragraphs.

Mr. LAPHAM. Looking now at the second full paragraph on that page?

Mr. HAMILTON. Yes.

Mr. EVANS. Well, as I read that, that may be a conflict if he doesn't mean in terms of cutting back on an increase.

Mr. HAMILTON. The sentence following the sentence that I just read states: "He stated that Labor—" and here the "he" refers to Reardon again.

He stated that Labor had no intention of reducing or terminating funding with these groups, primarily because an evaluation report had stated that the nationally run contracts were the best segment of the Operation Mainstream program in terms of accomplishments and meeting of program objectives.

Were you aware at that time that the National Council on Aging and the National Council of Senior Citizens had such high ratings regarding their performance with Labor?

Mr. EVANS. As a matter of fact my impression was that it was just the opposite; that they had placed on a permanent basis—of which the purpose of Operation Mainstream is—they had placed on a permanent basis a much lower percentage of people after the contract expired than had other national contractors such as the National Retired Teachers Association. I believe we may—I believe you will find in the documents that we gave you a report from DOL to that effect, that they gave to me.

Mr. LAPHAM. Were you familiar, Mr. Evans, if I could interject a question—

Mr. HAMILTON. Yes.

Mr. LAPHAM [continuing]. With the evaluation report?

Mr. EVANS. No, I am not familiar with the specific evaluation report but I am familiar with materials that they gave to me which showed that the National Council on Aging and the National Council of Senior Citizens had the worst placement rate of any of the national contractors under that Operation Mainstream program.

Mr. HAMILTON. If you would supply those?

Mr. EVANS. Sure.

Mr. HAMILTON. The GAO report has a section on White House involvement and there is a sentence on page 18 that reads as follows:

Mr. Evans said his only preaward involvement concerning the Labor Department contract consisted of putting certain potential contractors, including FEA, in contact with appropriate Department officials.

Now does that statement, one, comport with your recollection as to this DOL contract and, two, comport with your recollection as to what you told the GAO?

Mr. LAPHAM. Do you want to see that sentence before you respond to the question?

Mr. EVANS. This one here? [Pause.] No, one, that doesn't correspond to what I remember saying, because I remember saying that I talked with DOL officials regarding the overall Operation Mainstream contractor situation or granting situation.

That is very tightly construed.

Second of all, well, you better give me the second part of the question.

Mr. HAMILTON. Does it comport with your recollection as to what you told GAO's investigators?

Mr. EVANS. OK, that is the part of it I just answered. What was the other?

Mr. HAMILTON. Does it comport with your recollection of your involvement in the DOL contract award?

Mr. EVANS. Not the way it is phrased there. As I just stated, it doesn't.

Mr. HAMILTON. I am not going to read this into the record but on pages 18 and 19 of the GAO report there is a section entitled "Labor Contract" and I am going to ask Mr. Evans to read the section, which consists of five paragraphs and to comment as to whether the statements contained herein comport with his recollection of his involvement in the DOL contract award starting right here [indicating].

Mr. EVANS. Yes, right here [indicating]. This conflicts with what you just asked me.

Mr. HAMILTON. I don't believe that is clear for the record.

If something conflicts in there I wish you would read the offending sentence and tell me how it conflicts.

Mr. EVANS. Yes, just a minute. [Pause.] Well, OK. First, I would ask if I said I first learned of FEA's contract through a direct congressional inquiry, how can it later say that I was contacted by FEA to discuss the proposed contract and whether they could obtain part of the expansion funds. You know, those two are obviously inconsistent.

Mr. LAPHAM. Wait a minute. I am not sure there is a question pending. Is there?

Mr. HAMILTON. The question is, I wanted him to read this particular passage, which I think we should insert in the record at this point.

The passage reads: "Labor Contract" and states:

Mr. Evans said he first learned of FEA's contract through a direct congressional inquiry. He told us that his initial contact with Labor concerning the additional funds made available for the Operation Mainstream program occurred when he was telephoned by a Department official (whose name he could not remember), who inquired as to how the additional funds were to be allocated. Mr. Evans said that he suggested that existing contractors be given the additional money.

Mr. Evans told us that sometime after the phone call from Labor two contractors—FEA and an existing contractor under the Operation Mainstream program—called his office and asked how they could obtain part of the expansion funds. He said he directed the groups to Labor and later a Department official called him to ask how the contract with FEA should be developed.

Mr. Evans told us that a meeting was arranged in his office between Labor and FEA representatives to discuss the proposed contract. He could only remember one other meeting involving the Operation Mainstream program. This meeting, held later at the office of the then Assistant Secretary for Manpower, involved a review of plans for distributing the Operation Mainstream expansion funds. According to Mr. Evans, the meeting was requested by the Assistant Secretary.

Mr. Evans said he never intended any of his actions to be construed as "applying pressure" and responded negatively to our questions as to whether he ever, directly or indirectly suggested awarding a Department contract to FEA. He said that if Labor construed his actions as representing pressure to execute a contract with FEA, it was the Department's error since at no time did he intercede on behalf of FEA.

Now what I would like for you to do is go through that passage sentence by sentence and if there is a misstatement in that passage, to point it out for the record.

Mr. EVANS. OK. Well, the first sentence is a misstatement. It says that he "first learned of FEA's contract through a direct congressional inquiry" and then down below—

Mr. HAMILTON. That is a misstatement? You did not say that?

Mr. EVANS. No; the only thing I can think of—well, I don't even know how that relates to it.

The reason I say that is a misstatement, is that inherent in what is written here, it says:

Mr. Evans told us that sometime after the phone call from Labor two contractors—FEA and an existing contractor under the Operation Mainstream program—called his office and asked how they could obtain part of the expansion funds.

Now those two, they don't seem consistent to me. Maybe I am—

Mr. HAMILTON. Well, they may not be. Which one is correct if either is correct?

Mr. EVANS. The latter, the one about receiving a phone call regarding whether they could obtain part of the expansion funds.

Mr. HAMILTON. Well, may I have this back for just a second? [Pause.] Well, Mr. Evans, did you or anyone in the White House have anything to do with the organizing and setting up of FEA?

Mr. EVANS Yes.

Mr. HAMILTON. So it would seem to me that this passage is misleading in that situation, that FEA made some type of contact with you to find out how they could be funded by Labor?

Mr. EVANS. Which they did—

Mr. HAMILTON. But isn't the fact of the matter that you were instrumental in having this organization organized to take advantage of the expansion money that was now available?

Mr. EVANS. No; that is not the fact of the matter. The fact of the matter is that I was interested in organizing a new organization for a number of purposes, which was set out at the beginning of this session and they include again the ability to reach minorities, elderly, the ability to communicate to the elderly in general, the ability to get new ideas from new people, young, fresh, vigorous people in the field. A number of different purposes.

It had absolutely no relationship to this specific program. And the fact is that this—I don't believe this specific increase in funding had even occurred at the time that we originally started talking about forming some kind of new aging organization.

Mr. HAMILTON. The aging organization, FEA, was formed in March 1972 and this increase in funding took place before that. Isn't that correct?

Mr. EVANS. OK. Now this is correct. However, that does not change the fact that this organization was not organized to take—you know, for the sole purpose or even for the primary purpose of taking that funding into this organization.

Mr. HAMILTON. Is it fair to say that this organization was put together partially to have an organization friendly to the administration in existence?

Mr. EVANS. It is fair to say that this organization was put together so that we—so that there would be a non-hostile organization and that the—

Mr. HAMILTON. What is your distinction between "friendly" and "nonhostile"?

Mr. EVANS. OK, the distinction between those two is, that you can take an active role in being friendly and you can use specific political activities such as the National Council of Senior Citizens on behalf of McGovern, or you can have a neutral organization such as the Federation of Experienced Americans, which did not do political things along the lines of the National Council of Senior Citizens. That is the situation. It is just neutral. It is not a negative—

Mr. HAMILTON. Your testimony then is that FEA was not to be friendly, in that it was not supposed to promote the present administration in a political sense?

Mr. EVANS. Well, my testimony is that it, in fact, did not do many—or any, to my knowledge—of taking any of the political initiatives that the Council of Senior Citizens did.

Mr. HAMILTON. Is it fair to say that when this organization was conceived and set up that the intention was that it would take advantage of available Federal moneys?

Mr. EVANS. The intention was, that if there were discretionary funds available and if it was held that this organization was qualified to obtain those discretionary funds, then in competition with a group that was hostile to the administration it would be hoped that this organization would receive some degree of—

Mr. HAMILTON. And was it the intention that the White House could take steps to insure that FEA would receive funding over administration enemies or at the expense of administration enemies?

Mr. EVANS. Well, it was the intention of the White House that this organization would receive some funding to get off the ground. And to the extent that it impacted on hostile groups, then it did have a negative impact, which wasn't too great.

Mr. HAMILTON. What was your conception, in terms of what funding should result, if one of the hostile groups like the National Council of Senior Citizens was performing better, or was able to perform better than FEA? Was it your intention that the FEA would get the money then?

Mr. EVANS. Well, then you get down into degrees, and that is an iffy question in terms that the facts, as I knew them, as I stated earlier, were that NCSC was not performing well, contrary to what you read to me from the executive assistant level. So that didn't—so that was not a consideration at the time.

Mr. HAMILTON. What indication did you have in the spring of 1972 that FEA was going to be able to perform well? What led you to believe it could?

Mr. EVANS. Well I guess that, first, as I have been told by the Department of Labor, the subcontractor—the Human Resources Corp., I believe, was one of the subcontractors; the one out in California—was held to be very reputable and they felt it was very capable of doing the job. Second, the subcontractor in Florida, the Florida State University, was also felt to be very capable of doing the job.

I could only take what knowledge I had at that point in time and apply that.

Mr. HAMILTON. Were you aware of Dan Todd's views that this organization was dubious?

Mr. EVANS. I was aware that Dan Todd opposed the concept and I previously stated why I thought he opposed the concept. And I think it resulted from Flemming's close relationship to Cruikshank and Cruikshank's opposition to having any new organization, which would threaten his domain, come into existence.

Mr. HAMILTON. Were you aware of any unusual procedures that led to either the DOA contract or the OEO grant? And when I say "unusual" I mean any types of procedures for processing the contract or the grant that were out of the ordinary.

Mr. EVANS. The only thing I knew of was the possibility that they pushed through the OEO contract rapidly. As far as abnormalities, no. I knew that certainly they moved very quickly.

Mr. LAPHAM. I think that question presupposed knowledge on your part as to what ordinary grant procedures were. Did you have that knowledge?

Mr. EVANS. No, I didn't. Good point.

Mr. HAMILTON. Were you told by anyone at either DOL or OEO that the procedures that were employed were abnormal, unique?

Mr. EVANS Well, with the exception of what Mr. Binda told me as far as the fact that they moved very quickly at OEO and he didn't realize that they could do it that quickly, no.

Mr. HAMILTON. What prompted OEO to work so quickly?

Mr. EVANS. Well, I think it was a combination of things. I had and still have a very close working and personal relationship with Mr. Binda. Howie Phillips had a very strong interest in limiting NCOA. He didn't feel their contract should have been sole source in the first place and he pushed very hard on that.

I think a combination of those two factors and Mr. Binda's ability, just professional ability.

Mr. HAMILTON. Let me read you another passage from the GAO report, page 15:

OEO records show that FEA submitted an unsolicited proposal dated August 31, 1972, for the project. An OEO official advised us that a White House staff member, L. J. Evans, Jr., directed OEO to fund the proposal for FEA, which was for a major project concerning elderly Spanish-speaking people.

OEO officials told us that Mr. Evans also instructed OEO to limit its forthcoming contract extension with the National Council on the Aging to 6 months after which OEO would be expected to award a grant or contract to FEA to provide a full range of professional training and technical assistance for OEO aging programs that have been provided by the National Council on the Aging for many years with funds from OEO and other agencies.

Now does that statement that I have read to you comport with your understanding as to what happened in regard to—

Mr. LAPHAM. Do you want to see it before you respond?

Mr. EVANS. I probably ought to. There is one point I can respond to right off the bat and that is, and this is a point we already made, I think if you think about it, it is just inherently true. No staff assistant in the White House can direct, and that is a pretty strong term, any department or agency to do that. You just can't you know. It was not the realities of life and you know that just is not the reality of life.

Mr. EVANS. OK, now on the second part of that, this goes back to what I was saying about Mr. Phillips' interest. Mr. Phillips and I talked about doing this, and that was my understanding of what Mr. Phillips wanted to do and what we agreed would be done. However, that obviously is not what happened.

Mr. HAMILTON. Would you read for the record the passage regarding what Mr. Phillips was interested in?

Mr. EVANS. OK. This talks about "limiting the forthcoming contract extension with the National Council on Aging for 6 months after which OEO would be expected to award a grant or contract to FEA to provide a full range of professional training."

Mr. HAMILTON. Is it your testimony that that was Mr. Phillips' idea?

Mr. EVANS. Well, it is my testimony that certainly, it was his idea that the National Council of Senior—no, the National Council on

Aging had been given a sole source contract and should not receive the sole source contract again. And that it was our agreement that one of the ways around it and the way that he wanted to approach the problem was through this mechanism.

Mr. HAMILTON. May I have that back?

Now as for FEA's qualifications, for the OEO contract, I would like to read to you from a memorandum dated November 17, 1972 by Irven M. Eitreim, chief, older persons program, Office of Operations, OEO.

[The document referred to was marked Evans exhibit No. 4.*]

And in this memorandum Mr. Eitreim says:

In summary, I have the following reservations about this grant:

(1) I consider the grantee to be totally unqualified to do the job;
 (2) I think the grant can produce nothing that is not already well researched and tested. It is a weak, poorly designed plan and quite inappropriate for the use of section 232 funds;

(3) The budget of \$399,839 is grossly excessive. A planning grant of this nature should not exceed \$75,000 to \$90,000;

(4) The urgency and secrecy with which the grant was pushed through were highly irregular. Never in my long experience in the Federal Government have I experienced anything approaching the impropriety of this grant transaction;

(5) I sense that I have been "used" as a professional program specialist and titular head of OEO's older persons programs, and as a veteran civil servant to give this grant some semblance of legitimacy and suspect that my professional reputation may be damaged as a result;

(6) I am appalled by the remaining possibility that we may have to award a grant or contract to FEA for highly complex and sophisticated professional T and TA services needed by our aging program grantees. FEA does not have and cannot within a period of several years, if ever, acquire an acceptable degree of competence to perform these functions. I am convinced this course would be utterly destructive to our aging programs. An award to FEA for this purpose would offend the entire aging constituency in the country, knowledgeable members of both parties in the Congress and our own CAA's and SCS programs. No service at all would be preferable to a contract with FEA both from the programmatic and political standpoints.

Mr. LAPHAM. When is that dated?

Mr. HAMILTON. November 1972, November 17.

Mr. LAPHAM. Who is it to?

Mr. HAMILTON. A memorandum to the record by Irven Eitreim.

Now my question is, Were you aware in the fall of 1972 of such strong staff objections in OEO to FEA's competence?

Mr. EVANS. Not in any way.

Mr. HAMILTON. This is totally new to you?

Mr. EVANS. That is the first time I ever heard of it. As a matter of fact, as it was related to me, if I remember it, Mr. Binda told me that while this particular person had some reservations at first, he was—he had expressed support of the way the proposal had been written in the end.

Mr. HAMILTON. Are you talking about Eitreim?

Mr. EVANS. Yes. Which surprises me. I mean, this surprises me. It is totally contrary to what—

Mr. HAMILTON. Did you ever have any personal conversations with Eitreim?

Mr. EVANS. I don't remember if I did, and I would judge he certainly didn't circulate that if it was on the record.

* See p. 8530.

Mr. HAMILTON. Let me ask you again and this is redundant to an earlier question, but do you have any evidence that the way this grant was handled at OEO was "highly irregular" to use Mr. Eitreim's term?

Mr. EVANS. The only thing that I knew of was what Mr. Binda told me about, you know, it had really moved through very quickly. You know, that seems to go to one of the points of that memorandum but that is all I remember.

Mr. HAMILTON. Now Mr. Evans, there is a statement in the GAO report on page 18 under the heading, "White House Involvement" and the statement reads: "Mr. Evans denied any prior knowledge of the OEO grant award and any involvement in the grant's proposal phase." Is that a true statement of what you told the GAO?

Mr. EVANS. It doesn't sound true to me at all. You know, I don't know what it goes on to say, but I certainly talked to Mr. Binda and I am sure I told them that I talked with Mr. Binda.

Mr. HAMILTON. Let me read you the entire GAO statement as to your participation in the OEO grant. Let me read the statement as to what you told them about your participation in the OEO grant:

Mr. Evans denied any knowledge or involvement in the award of the OEO grant to the FEA. He did acknowledge that he had complained to the Deputy Director of OEO—

I take it Mr. Phillips?

Mr. EVANS. Yes; I guess so.

Mr. HAMILTON [continues reading]:

about the lack of OEO assistance for programs for Spanish-speaking elderly. He said that he had received an inquiry from a U.S. Senator concerning the lack of assistance programs for the Spanish-speaking elderly. Mr. Evans said that the OEO Deputy Director called to advise him that a grant had been made to FEA for a program to aid the Spanish-speaking elderly. He said he told the OEO official that he was pleased since it was, in his view, something that would help the elderly and would also satisfy the inquiry from the Senator. He denied having anything to do with the approval.

Mr. EVANS. Well, I didn't have anything to do with the approval. I still deny that.

Mr. HAMILTON. But you don't deny now—

Mr. EVANS. I don't deny that I talked to Mr. Binda and I am sure I told them I talked to Mr. Binda and I don't understand why that is not in there. In fact, they even asked me specifically, I think, whether I talked to Mr. Binda and the specific response was, "I did." I think they went beyond that and asked a number of specific other people because I talked with them—

Mr. HAMILTON. There is a passage on page 17 of the GAO report that is contrary to the statement on page 19 that I just read to you. This passage on page 17 recounts what the GAO was told by the executive assistant—

Mr. EVANS. The executive assistant to whom?

Mr. HAMILTON. Just a second. Off the record.

[Discussion off the record.]

Mr. HAMILTON. Frankly this is not clear in the GAO report, exactly whom we are talking about. That is why I asked you a minute ago—

Mr. FREEDMAN. It doesn't refer to Reardon?

Mr. HAMILTON. It says: "Executive Director for the former Associate Director for Program Review." That was Phillips; he was the executive assistant to Phillips.

Mr. EVANS. Is that Binda?

Mr. HAMILTON. I am not sure. He is not named in the GAO report.

Mr. EVANS. It may be Binda.

Mr. HAMILTON. Anyway let me read the passage to you:

The executive assistant told us the FEA proposal was first brought to his attention by the OEO Deputy Director, and that he met FEA's President at the initial meeting at Mr. Evans' office. He said that, after OEO received the proposal, Mr. Evans telephoned him to express his support for FEA and then had frequent contact with him until the grant was awarded.

Does that statement comport with your recollection as to what happened?

Mr. EVANS. It comports to the extent that I talked with Mr. Binda a number of times, if that relates to Mr. Binda. Of course there was a lot in there, and I am not sure I have that all down so that everything comports to it.

Mr. HAMILTON. Did you have frequent contact with Mr. Binda?

Mr. EVANS. Yes; frequent in terms of possibly once a week.

Mr. HAMILTON. For what period of time?

Mr. EVANS. God, I don't know. I talked—Mr. Binda, as I said, was a close personal friend as well, so I talked with Mr. Binda, you know, quite a while for a long period of time, not necessarily about this. So, you know, I can say that I still talk to him.

Mr. HAMILTON. And again, what is perhaps a redundant question, but the nature of these contacts was what? Were you urging that the matter be pushed further for the FEA?

Mr. EVANS. Well, it wasn't, you know, it was a matter—I guess as that is told, and this may be right, I may have talked with Phillips first. I am not sure and then Phillips and I made an agreement. And I think Phillips told Binda to go ahead. And I think I certainly, when Binda called me or something, I said, "Yes, I think that it is a good idea" or something. You know, I—we talked and I certainly would not have said "don't fund FEA" if asked, but where you go from there I don't know.

Mr. HAMILTON. But your testimony was that you were not instructing or directing OEO to fund FEA?

Mr. EVANS. As I said, you know, you couldn't in reality do that. It was always a give-and-take, and it had to be for exactly the reason that came out in that letter from Eitreim, and I was not aware of that, and that was, you know, certainly you hope that, as you just had a give-and-take with it, it would work out in a natural, you know, logical, normal way of process—

Mr. HAMILTON. Was your interview or interviews with the GAO recorded by a recorder making a verbatim transcript?

Mr. EVANS. No, it wasn't. And I am surprised that they don't have in there that I talked with Binda, because I think they asked me a direct question about that. In fact I remember telling them point blank that Mr. Binda was a personal friend of mine.

Mr. HAMILTON. How many times did you speak with GAO representatives?

Mr. EVANS. Once.

Mr. HAMILTON. When?

Mr. EVANS. About 45 minutes, I guess.

Mr. FREEDMAN. Was that in person or by telephone?

Mr. EVANS. It was in person.

Mr. HAMILTON. Do you know of any pressures put on the AOA to get this other project funded?

Mr. EVANS. To the extent that I think that Mr. Colson called either—I think he called Jonathan Moore over there, over at HEW, special assistant to Richardson.

Mr. HAMILTON. And what was the nature of that conversation?

Mr. EVANS. I don't know. I wasn't there. I wasn't privy to it. I don't even know if they actually ever talked.

Mr. HAMILTON. Do you know why the matter was not funded?

Mr. EVANS. Well, no, I just assumed that they decided that they couldn't do it.

Mr. HAMILTON. Do you know why they decided they couldn't do it?

Mr. EVANS. No, I don't know the specifics.

Mr. HAMILTON. Do you know if Mr. Davidson made any specific contacts with HEW on the matter?

Mr. EVANS. I don't.

Mr. HAMILTON. I would like to show you a document dated October 3, 1972, to David Brody, who is the president of FEA and from Hugh Brenneman. Who is Mr. Brenneman?

[The document referred to was marked Evans exhibit No. 5.*]

Mr. EVANS. I believe he was the director of the Michigan Professional Association, I think.

Mr. HAMILTON. Let me read this letter into the record:

Enclosed is a budget which I think will permit us to prepare and distribute 401 radio programs as per the attached schedule.

Because of the time element we are proceeding on the basis of the budget so if you disapprove in any respect, please call me instantly, if not sooner! Also you are receiving either with this mail or separately a copy of the scripts being used.

As soon as we have the first complete set of dubs made, we will send a couple copies to you and one to Bud. I have only scheduled 390, which will give us an extra seven for any special stations who request use of the program.

My question is, first of all, why would copies of these dubs be sent to you?

Mr. EVANS. Well, I received the tapes, as I told you earlier.

Mr. HAMILTON. That is right. Why did you receive the tapes?

Mr. EVANS. Well, because I was very interested in communicating what was available for the elderly to the elderly and that is what this does. And I wanted to see, you know, how it did it. It is a good idea. I still think it is a good idea.

Mr. HAMILTON. Did you have any discussions with either Mr. Brody or Mr. Brenneman about the beneficial political fallout of these tapes?

Mr. EVANS. I am sure I said "This is great," you know, "the more we get older people to know about what the benefits they had available to them, the more favorable"—you know.

Mr. HAMILTON. What do you think the primary purpose of these tapes was?

* See p. 8533.

Mr. EVANS. The primary purpose was to inform all the older people of what their benefits were.

Mr. HAMILTON. Is it your testimony that the primary purpose was not political?

Mr. EVANS. Yes.

Mr. HAMILTON. As you understood it?

Mr. EVANS. I think that was a secondary purpose in terms of how positive an impression that makes upon people.

Mr. HAMILTON. Gordon, I think I am about through on this. Have you got any questions?

Mr. FREEDMAN. No.

Mr. HAMILTON. Why don't we take a little break of, say, 10 minutes?

[Recess.]

Mr. HAMILTON. Mr. Lapham had a statement about a document. Why don't you identify it?

Mr. LAPPHAM. It is a document previously referred to by Mr. Hamilton dated August 31, 1972, and it is a memorandum for Rob Davison from Mr. Evans, a one-page memorandum.* It started with the sentence: "Attached is a proposal which the Federation of Experienced Americans submitted to Commissioner Martin of the Administration on Aging today." And according to my notes, before that document was exhibited to Mr. Evans, he was asked whether or not he recalled that there was an FEA grant proposal made to HEW or to any one of HEW constituent agencies. And according to my notes, again, his answer was that he remembered that there was an idea for a communications proposal but he doesn't recall whether that idea reached a proposal stage. And I now want to ask Mr. Evans whether, having seen that document which I just identified, his recollection is refreshed as to whether the idea did, in fact, reach a proposal stage?

Mr. EVANS. The answer is it must have reached some form that he could call a proposal. It is still my recollection that it mostly is a preliminary proposal, not a full formal one. But call it what you might, we can say it was a proposal in light of this memo.

Mr. HAMILTON. I believe it was your testimony that you did not recall or do not now recall what happened to this proposal and why it was rejected? Is that correct?

Mr. EVANS. That is correct, yes. I just know that there was a lot of opposition to it in HEW and we just dropped the matter.

Mr. HAMILTON. Well, do you know the nature of the opposition?

Mr. EVANS. No; other than—now they felt that it would be considered political at that late date, but I don't know any other more specifics on it.

Mr. HAMILTON. Do you know if the people at HEW had any objections as to the qualifications of FEA?

Mr. EVANS. They didn't mention it, at least not to me. Actually I didn't talk with them, so I don't even know—no, I don't.

Mr. FREEDMAN. Was Dr. Flemming opposed to funding FEA?

Mr. EVANS. Dr. Flemming was not at HEW at that time. Dr. Flemming was opposed to funding of FEA, particularly in terms of impacting upon the National Council of Senior Citizens for reasons already stated.

* See Evans exhibit No. 1, p. 8487.

Mr. HAMILTON. The next subject I want to talk to you about concerns a number of brochures that were published in 1972 by various departments and agencies of Government. And it is my understanding that a brochure was published by HEW—SSA; one by the Department of Agriculture; one by the Department of Housing and Urban Development; one by the Department of Labor; one by ACTION; one by OEO; and one by the Veterans' Administration, and perhaps there were others. Do you know of any other brochures that were published besides the ones that I have just mentioned by departments or agencies of Government?

Mr. EVANS. Jim, no; to the extent that I am not sure of the specific lists of agencies or departments that published them and I am not sure as to specifically the Social Security Administration brochure mentioned in there.

Mr. HAMILTON. That involved Project FIND.

Mr. EVANS. OK; I know that they did that. I didn't have too much impact on that one. That was handled mostly by Dr. Flemming and Vicky Keller.

Mr. HAMILTON. I think the best way to get into my questions about these brochures is to let you tell us generally what you know about these brochures, how the ideas for these brochures originated, who originated the ideas, what were the purposes behind the brochures—

Mr. EVANS. OK.

Mr. HAMILTON. How they were used, where they were distributed to, who paid for them, what the total costs were, if you remember, et cetera.

Mr. LAPHAM. There are quite a few questions there.

Mr. HAMILTON. It is a lot of questions, but the reason I pose it this way is that I think the fairest thing is to let him tell us, basically, what he knows about these brochures and then I will ask him specific questions. I am just trying to give him a general framework in which to talk. I can ask specific questions, but I think this is probably the fairest way.

Mr. EVANS. Basically this goes back to my thought on—there has got to be a better way to tell older people what is available to them in the Government. That is what Project FIND was all about and it located in excess of 50,000 isolated elderly. I don't know what the final figure came out to be, but a large number of isolated elderly were not taking advantage of benefits that were available to them.

The same thing applied to a number of aging programs and a number of other agencies and departments. And we attempted, in the White House, to take sort of a coordinating role and try to make sure that this kind of information did get circulated to older people. And that led to a number of brochures. I don't remember which specific agencies or departments put them out but there was a number of brochures.

I took a lead role in trying to make sure, as a sort of the head of the senior citizens' effort at the White House, or trying to make sure that these kinds of words did get out to older people. That is sort of a basic overall framework. I will let you take it into specifics.

Mr. HAMILTON. Well, my initial question, is it your testimony that the principal motivation behind these brochures was informational and not for political purposes?

Mr. EVANS. Yes; my testimony is that that is the prime motive. That is not saying that you don't have a political impact as a result

of getting out the word on what is available to older people. In addition, I think, it is fair to say that while there were a number of good substantive reasons for that, when you are working within the constraints of the White House staff—at that time you often needed to try to convince other people to work with you and motivate them. And in order to motivate them you had to use political reasons because a number of the people were political. So, I often used both substantive and political reasons when talking to various White House staff members or anybody on the administration's staff.

Mr. HAMILTON. Did you originate the ideas for the brochures?

Mr. EVANS. I don't remember how exactly they originated. I may not have originated it. Someone else may have mentioned it to me as being a good idea. But I probably pushed harder than anyone else who had a bearing on it.

Mr. HAMILTON. Do you recall that the idea for the brochures was originated at the campaign committee?

Mr. EVANS. Oh, no, we started working on this in October of 1971. I think that was before the campaign committee was even formed, wasn't it?

Mr. HAMILTON. No; the campaign committee was formed in May of 1971.

Mr. EVANS. OK; but it definitely came long before. There wasn't anybody looking up senior citizens in the campaign committee at that point in time and if there was, it didn't come out of there.

Mr. HAMILTON. So it is your testimony that the request for the brochures did not emanate from Dan Todd?

Mr. EVANS. Yes; that is my testimony.

Mr. HAMILTON. And you would hold to that testimony if I would tell you Todd's testimony was to the contrary?

Mr. EVANS. Yes; I would. I don't know what he bases his testimony on but I certainly don't remember a specific request from him dating back before October, or it may even have been sooner, when George Bell and I first talked about this. So, you know, I guess to my recollection at this point in time—no, he didn't. I didn't remember any particular request from him.

Mr. HAMILTON. Was there an attempt to make the contents of the brochures as political as possible?

Mr. EVANS. No; there was an attempt to quote the President, as far as using a quote that showed that older people should be utilized as an asset and not looked on as a drain to the country. And he had some very good quotes; I don't remember what were put on the brochures, but I know that there were some quotes on the brochures. But other than that, I don't think there is any way that they would be construed as being political.

Mr. HAMILTON. Did the brochures inform the recipients as to the programs available to them, or did they just state—

Mr. EVANS. Very much so.

Mr. HAMILTON [continuing]. State that the President was interested in the elderly?

Mr. EVANS. No; they stated them very much. As I recall them, they listed the programs that were available and they also gave addresses

on where to write to get additional information on it. I wish I had those. Do you have copies of those?

Mr. HAMILTON. Actually I haven't got copies of the specific brochures yet, but I will be doing that soon.

Mr. EVANS. Well, I think you will find them very nonpolitical. That is certainly my recollection of them. I think they are quite good.

Mr. HAMILTON. Well, my question is, Was an attempt made to make them as political as possible and still—

Mr. EVANS. Not beyond the extent of having them quote from the President.

Mr. HAMILTON. Quote from the President?

Mr. EVANS. That is right.

Mr. HAMILTON. Was any attempt made to stage the distribution of these brochures for political impact?

Mr. EVANS. We tried to distribute them as far and wide as we could. It wasn't limited to anything to my recollection. It was just as many as they had mailing lists to distribute to—they distributed them.

Mr. HAMILTON. But was it staged? In other words, would you distribute one in August, one in September, one in October?

Mr. EVANS. That was only in terms of the production schedule as it came out of those department agencies. Some department agencies were more efficient than others and got them done quicker. As I say, we started in October of 1971 and most of them didn't come out until summer of 1972. It took us like 6 months to get the damn things through the agencies and departments. And as I said, I was working on that one when I still reported to Mr. Bell. It was just a long, hard, tedious job and I think it was a good one.

Mr. HAMILTON. But is it your testimony that these documents, these brochures, were not staged in regard to their distribution for political impact?

Mr. EVANS. They certainly were not staged as far as time and it is my recollection that they were not staged in terms of distribution either.

Mr. HAMILTON. What I am talking about is the time of distribution.

Mr. EVANS. No; that was just a factor of—we wanted to get it out in the winter of 1971 and it took so long to get the damn things through the bureaucracy until they didn't get out until the summer of 1972 and that is not out of any conscientious effort.

Mr. HAMILTON. So it is your testimony that the fact these brochures were put out in the summer of 1972 was only due to production schedules and not due to political purposes?

Mr. EVANS. It certainly wasn't due to any conscious effort on my part and I assume there was no one else that was controlling that in any place that I didn't know about. As far as I know, no.

Mr. HAMILTON. Well, I am going to show you some documents. The first document I want to show you is a document which is dated April 14, 1972, labeled "Confidential." And the title is "Proposed Communication Support Program for the Older Americans Division, Committee for the Re-Election of the President." There is handwriting up here that I believe is by Dan Todd. Is that correct?

[The document referred to was marked Evans exhibit No. 6.*]

* See p. 8536.

Mr. EVANS. It looks like it could be. I am not able—it looks like his "T".

Mr. HAMILTON. Did he make a "T" like that?

Mr. EVANS. Yes.

Mr. HAMILTON. First of all, have you ever seen this document before?

Mr. LAPHAM. There are a number of pages attached in that. Is that all one?

Mr. HAMILTON. That is all one document.

Mr. EVANS. Yes. I think I did see this at times when it was—

Mr. HAMILTON. The document doesn't indicate who the author was. Do you know who the author was?

Mr. EVANS. No; I was not the author. I assume it was drawn up by Todd. The other person that worked in that area was Rhatican.

Mr. HAMILTON. Who is Rhatican?

Mr. EVANS. Bill Rhatican, I think, was a staff assistant to the President. And I think he worked on—he worked along these lines too, but I don't know that. There may have been two of these put together also. One by Rhatican and one by Todd.

Mr. HAMILTON. But this is basically a campaign document. You would agree with that, by the title?

Mr. EVANS. Yes.

Mr. HAMILTON. And page—actually, the document that I have doesn't have a page number, but I believe it is page 18—there is an item there and that item is entitled, "Brochures/Direct Mail," and under this heading is another heading entitled "Government Agencies," and the entry under that reads:

Each agency who has senior citizen programs will be asked to produce an informational brochure stating just exactly what the agency can do for older Americans. One will be released every 2 weeks beginning September 1. The agencies who will be asked to participate are: Action; HEW; HUD; DOT; OEO; Agriculture, Labor.

This document indicates on its face, I think it is a fair reading, that the plan to distribute these informational brochures was essentially campaign strategy and it also indicates on its face that the distribution of the documents would be timed so as to have campaign impact. Now I believe that both of those indications are contrary to your previous testimony. I wonder if you would comment?

Mr. EVANS. Yes; certainly I disagree with your statement, No. 1, in that that is what this document says. But the fact that this document says it—released on April 14, 1972, a full 6 or 7 months after we started working on getting out informational brochures to older people—doesn't mean that that is the way that it was planned, conceived, thought of, or the reason behind any action that occurred in October of 1971. And I would say that this looks like an effort on Dan Todd's part to take credit for something that had been started 7 months earlier that he had nothing to do with except knowledge.

Mr. HAMILTON. Is it your testimony that Dan Todd had no participation in the production of these brochures?

Mr. EVANS. The only participation that I remember was that he knew about it and it happened to turn out that it was going to be coming out during the late summer of 1972, but we could no more have

scheduled the production of these brochures to have been 2 weeks from each agency and department than a man on the moon could have.

Mr. HAMILTON. Now let me read you another memorandum dated April 11, 1972, a memorandum for Bud Evans from Dan Todd, subject "USG materials" which I take it is U.S. Government materials: "On March 30 at the meeting with myself and Bill Novelli"—who is Bill Novelli?

[The document referred to was marked Evans exhibit No. 7.*]

Mr. EVANS. He was at the reelection committee and dealt with PR kinds of things.

Mr. LAPHAM. Do you have the date of that?

Mr. HAMILTON. April 11, 1972.

It states:

"On March 30 at the meeting with myself and Bill Novelli, you committed to providing us with: (a) A draft memo to all agency PIO's"—

Which I take it is public information offices—

outlining your brochure program and setting forth guidelines for same; (b) a master timetable for the preparation and release of the brochures; and (c) some samples of work in progress. To date, we have received nothing. It is difficult, if not impossible, for us to proceed on our overall plan, which, per our discussion, is designed to incorporate and politicize your efforts, absent these materials. When may we expect them?

Would you comment on that in light of your previous testimony?

Mr. EVANS. OK. My comment still is as I remember—let me see that memo again. [Pause.] Now taking April 11, which is still 7 months behind or after we started the effort to get the materials out, now the fact that the materials were not still out at that point in time was a disappointment to me; OK? Because I thought they would be out long before then because I didn't want them to look political. Now, the fact that they weren't out was thought to be very advantageous in terms of getting them out during the campaign, I am sure, as is obvious by this.

I am sure they communicated that to me and I am sure I, in turn, in order to keep them motivated in supporting the whole project, said: "Yes; you know we will try to do anything that we can to get them out as soon as possible." The object at that point being to get them out within the next couple of months, which still didn't happen.

I don't remember when the first one went out but I don't think it went out until the end of June or July sometime. I guess what I am saying is, any of these efforts didn't, because of bureaucratic inertia, impact on what happened within the bureaucracies; and it couldn't have an impact upon what happened within the bureaucracies even if I wanted them to, because there was no way to change those wheels, which were slowly grinding away, and certainly that was not the reason that they were conceived of in the first place. You know, they just weren't.

They may have happened to fit into that overall plan, and I certainly wouldn't have turned them off in light of that but that wasn't the original conception.

Mr. HAMILTON. I think it was your testimony before I showed you this memorandum that Todd was not involved in the production of this material.

* See p. 8563.

Mr. EVANS. He wasn't. I still would say that. The only thing that I can think of is he may have tried with Novelli to change the production of whatever brochure the campaign committee issued—not to be competitive with what the government brochures were coming out with on a factual basis.

Mr. HAMILTON. I have another memorandum here that I would like you to look at and it is your memorandum in response to Dan's. It is a confidential memorandum, dated April 13, 1972, for Dan Todd from Mr. Evans, subject, "USG materials." It responds to the memorandum that was previously entered into the record.

Why don't you read this? I've got a couple of passages in here that I would like to ask you questions on.

[The document referred to was marked Evans exhibit No. 8.*]

Mr. EVANS. This basically supports what I said.

Mr. HAMILTON. Are you through with it?

Mr. LAPHAM. No.

Mr. HAMILTON. Go ahead. Take your time. [Pause.]

There are two sentences in here I would like to read into the record and ask you to comment on them. You write—actually three sentences. You write:

As you know, the draft memorandum to agency PIO's is being sent by Des Barker, and therefore requires his approval. It is his feeling that we should not set forth guidelines for development of these brochures in the memorandum, or even request that a brochure be developed therein, because it would give the PIO's grounds for not giving the information we desire.

Then skipping down—

In light of Barker's insistence that we not request brochures for the PIO's until after they have completed their compilations and write-ups, I did not, and do not, feel that it would be helpful to any of the parties involved to review the draft memo.

I don't understand what this means that "we shouldn't set forth guidelines for development of these brochures in this memorandum or even request that a brochure should be developed therein, because it would give PIO's grounds for not giving information required." Why would that be so?

Mr. EVANS. In other words, that is basically going to the political or nonpolitical point. And I had worked for a long time, long before this came up to make sure that brochures which helped older people got out to older people. And I was attempting in a political way, with a little "p," to tell them that we were not going to politicize those brochures and they could talk about any guidelines or anything else they wanted to put on them, but that wasn't the way they were going to go. They were already in process and they were going to come out the way they were in process.

Mr. HAMILTON. I take it it is not your interpretation of the passage that you wrote that because the brochures might turn out to be political, you would not give the PIO's a reason to object to their preparation?

Mr. EVANS. But they were preparing them. We didn't prepare the brochures. They prepared the brochures. They did all the work. And what I was saying there, I wasn't going to give Novelli a chance to

* See p. 8564.

review the preparation, not that I wasn't going to give the PIO's a chance.

Mr. HAMILTON. Right; I understand. I am not going to ask you any questions about this next item, but I would like for you to identify it. It is a document that is undated and is entitled "General Brochure Guidelines." Have you ever seen this document?

[The document referred to was marked Evans exhibit No. 9.¹]

Mr. EVANS. I think this was done by Barker's shop. And, yes, I think I saw it. I think it was done in conjunction with Barker's shop and, you know, I guess that was the general overall outline. Again it doesn't show the political side. It just wasn't political.

Mr. HAMILTON. I've got another memorandum I would like to show you dated June 7, 1972. It is a memorandum for you and Webster Todd, who was Dan Todd, I take it?

[The document referred to was marked Evans exhibit No. 10.²]

Mr. EVANS. Yes.

Mr. HAMILTON. From William D. Novelli. The subject is "Government White Papers and Brochures on Older Americans." I would like, I think—before I ask you any questions on this, I would like you to look at it. I'm sorry I don't have more than one on these things.

Mr. EVANS. Which? The whole thing?

Mr. HAMILTON. Why don't you look at the whole thing? [Pause.]

Are you ready? I believe you testified that Mr. Novelli was in the campaign committee.

Mr. EVANS. Yes.

Mr. HAMILTON. I believe he was with the November group. Isn't that correct?

Mr. EVANS. OK.

Mr. HAMILTON. The first line reads: "This is to review the status of this project and to suggest how we might proceed."

Why was Mr. Novelli of the campaign committee interested in the status of your Government brochures project and involved in suggesting how to proceed?

Mr. EVANS. Well I think that was in terms of, you know, how they were still trying to make an impact on the brochures. And on June 7, which was the date of that, it was way beyond making an impact. I don't know when—as I said, I don't remember exactly when the first brochure came out, but it was sometime around the end of June or July, someplace in there. And that means it already was in press. So the impact of that is nil.

Why was he doing this? Well, he had, I guess, contracted with the reelection committee to come up with a good PR plan and everybody, I guess, was trying to jump on the bandwagon on it.

Mr. HAMILTON. Well, under the heading "Background", the first item, there is this statement:

We are all in agreement that brochures produced and distributed by government departments and agencies will be important in persuading older voters to re-elect the President. These brochures will be non-partisan enough to break through the election year aversion to political rhetoric, but will be strongly supportive of the President.

¹ See p. 8565.

² See p. 8566.

As you would interpret that passage—

Mr. EVANS. That indicates that he thought it would be.

Mr. HAMILTON. That these brochures would have a strong political purpose?

Mr. EVANS. Well, I think you have to look at the brochures, and you will see them soon, I hope. The political impact of those brochures is, as we have stated, the more people know that there are positive things that are available for them to take advantage of, obviously, the more people are favorably disposed toward the incumbent. Other than that, I think the political impact is minimal. And I think you will see the way they are written; it is very nonpolitical.

Mr. HAMILTON. Mr. Novelli, in the second section of this memorandum, which is entitled "Next steps," sets out the structure of the brochures. Why was Novelli involved in the structure of the brochures or setting out steps as to how the brochures should be produced?

Mr. EVANS. Probably at Dan Todd's request, but you saw the structure thing. Now, was there a date on that structure thing?

Mr. HAMILTON. Right here—June 7.

Mr. EVANS. No; I am talking about this one right here [indicating]. I don't know what the date on this was, but I believe you will find that this, which is called "General Brochure Guidelines," went out long before this [indicating], and if that had already gone out and the brochures were already being printed on June 7, which I assume you will find most of them were, I question the impact that he would have had.

Mr. HAMILTON. Well, this memorandum [indicating] was sent to you. Did you take his suggestions and pass them on to various agencies?

Mr. EVANS. No.

Mr. HAMILTON. Or did anybody in the White House pass them on to the various agencies?

Mr. EVANS. I certainly doubt it, because I think the guidelines had already been sent out long before that.

Mr. HAMILTON. On page 3, under section 3, which is entitled "Distribution, Timing, and Coordination," this sentence appears: "We can indirectly check copy and also stagger the release of the brochures to insure a steady stream between now and late September." Why was Novelli involved in scheduling the release of the brochures?

Mr. EVANS. Well, as I testified, you couldn't schedule the release of the brochures, so that was whistling in the wind.

Mr. HAMILTON. And it is your testimony you made no attempt to schedule the release of the brochures?

Mr. EVANS. Yes. I tried to schedule them as soon as they could possibly get them out.

Mr. HAMILTON. But not staggered for political impact?

Mr. EVANS. Well, I don't think I ever contacted an agency or department. I think I thought it would be nice if they came out that way and that great—

Mr. HAMILTON. It is your testimony you took no steps to get them to come out?

Mr. EVANS. To the best of my recollection, I didn't call any agency or department.

Mr. HAMILTON. I have a June 14, 1972, memorandum for Bud Evans from Dan Todd; subject "USG Brochures." It states: "In order that

my field people can obtain adequate numbers of the aging brochures, I have advised them to use incumbent USS and MC as vehicles."

[The document referred to was marked Evans exhibit No. 11.¹]

Mr. EVANS. What is that?

Mr. HAMILTON. I was going to ask what does USS and MC stand for? Do you have any idea?

Mr. EVANS. No; I don't know. It is for me—USS and MC? No, I don't know.

Mr. HAMILTON. You have no idea what those terms refer to?

Mr. EVANS. No.

Mr. HAMILTON [continues reading]:

So that I may tell them what to ask for, can you please provide me with a schedule showing: Title, agency, publication date, GPO number, and subject?

Again, doesn't this memorandum show that Dan Todd was involved?

Mr. EVANS. It sure shows he was trying to be involved. I don't think he had much impact. You know, if you've got something to the contrary that can refresh my memory, I would like to see it.

Mr. HAMILTON. I take it that memorandum does indicate to you that these aging brochures were going to be used for political purposes? Is that correct?

Mr. EVANS. No; I think that what that indicates is that Dan Todd felt that this would be something that would be nice for him to take credit on.

[The document referred to was marked Evans exhibit No. 12.²]

Mr. HAMILTON. But the memorandum says, "In order that my field people can obtain"—

Mr. EVANS. OK, the question then becomes: Did they obtain it? I don't know.

Mr. HAMILTON. The memorandum indicates that Todd planned to use these Government brochures for campaign purposes. Is that a fair reading of that memorandum?

Mr. EVANS. That he would like to? Yes. That he would like to.

Mr. HAMILTON. Then on July 24, 1972, Mr. Todd writes you under the subject "Various," that: "The following items are still pending from your shop," and No. 1 is: "Production schedule information on U.S. Government brochures." Again this indicates that Mr. Todd was interested in and in some degree participating in the production of these brochures. Doesn't it?

Mr. EVANS. Or trying to.

Mr. HAMILTON. Or their distribution. Now on the same date, July 24, 1972, I have a memorandum here to "Dan," which I take it is Dan Todd, on White House stationery from you and it says, "The attached is per your request." And the second page is entitled "aging brochures" and there are three categories: follow-up dates and under that is listed various agencies and departments; the next category is labels, under which there is a date and the third category is mailing, under which there is a date. And there are label dates and mailing dates given for seven departments and agencies. Would you look at that?

[The document referred to was marked Evans exhibit No. 13.³]

¹ See p. 8569.

² See p. 8570.

³ See p. 8571.

Mr. EVANS. Yes.

Mr. HAMILTON. Is that your secretary's signature?

Mr. EVANS. Yes.

Mr. HAMILTON. Did you dictate that particular memorandum?

Mr. EVANS. I think I probably told her to send something over to them, yes.

Mr. HAMILTON. Is this a schedule for the distribution of the brochures?

Mr. EVANS. That is a schedule in terms of my best guess and when they were going to come out.

Mr. HAMILTON. Now I notice that I think—

Mr. EVANS. But I think you will find that they didn't come out.

Mr. HAMILTON. I think the record should show that the schedule is staggered so that there is approximately 10 days between the distribution of the brochures. Now why was the schedule set up with the 10-day stagger?

Mr. EVANS. Probably to get the pressure from them off of me but I think you will find in actual fact that is not what occurred.

Mr. HAMILTON. What did occur?

Mr. EVANS. I think you will find that it is helter-skelter as far as when those brochures came out.

Mr. HAMILTON. Did they all come out before the election?

Mr. EVANS. I think all but one. I am not sure but one may have come out afterwards. Again I don't remember exactly when they came out and it was more a matter of bureaucratic inertia than any planning on anybody's part.

Mr. HAMILTON. Are you saying that you did not plan that these brochures come out in 2-week intervals or 10-day intervals?

Mr. EVANS. Right. I hoped that it might work out that they would fit into that schedule but it never went to a planning schedule. Certainly to my recollection it never went to the stage of talking to any of the departments or agencies.

Mr. HAMILTON. Well let me show you another memorandum, dated July 27, 1972, for Dan Todd, subject: "brochures", from L. J. Evans. Is that your signature there?

[The document referred to was marked Evans exhibit No. 14.*]

Mr. EVANS. Yes.

Mr. HAMILTON. The memorandum reads:

I thought you would be interested in seeing our first aging brochure. You can get the title, agency, GPO number, and subject from the brochure itself. This one will be sent out next week. I have also attached a distribution list; and as you can see, the first mailing will include approximately 950,000 brochures. Please let me know what your people will be doing to get copies of these and how many they will be requesting. We are still planning on having the remaining seven brochures go out in 2-week intervals. I will forward these to you as they come off the press.

Mr. EVANS. Question?

Mr. HAMILTON. Doesn't that document indicate that you had planned to stagger the release of these brochures?

Mr. EVANS. No.

Mr. HAMILTON. And how do you explain the sentence "We are still planning on having the remaining seven brochures go out in 2-week intervals."?

Mr. EVANS. I explain it in two ways, Jim. First, it looked like they might come out that way so that was nice and, second, since it looked like they might come out that way, the simplest thing to do was to just tell Dan Todd that so, you know, he could do whatever he wanted to do, that that was the way they were going to come out.

Basically, just taking the pressure off. And in actual fact as I said, and I will again, I don't think they did come out that way.

Mr. HAMILTON. Now I have another memorandum dated July 27, 1972, from you to Fred Malek and the subject is "Brochures" and it reads:

Attached is the first government aging brochure to come off the printing press. It still has a slight bureaucratic flavor to it, but I think it gets across the President's concern as well as emphasizing his help in solving the problems of older persons. The original mailing will distribute 950,000 of these brochures. This will leave us 550,000 remaining brochures for distribution to Senators and Congressmen, field organizations, and other groups we may want to reach. We will be sending out seven additional brochures at a rate of approximately one every 2 weeks, and I will forward these to you as they come off the press.

And Malek writes at the top: "Bud, this is really great work and should have major impact. I will look forward to seeing the additional brochures."

[The document referred to was marked Evans exhibit No. 15.*]

Mr. HAMILTON. First of all, why would you send a copy of the brochure to Malek?

Mr. EVANS. Because Malek, you know, followed all of that. I don't know. He was sort of liaison guy between the White House and the reelection committee.

Mr. HAMILTON. On July 27, wasn't Malek at the reelection committee?

Mr. EVANS. I don't know what the exact relationship was. He seemed to be both places.

Mr. HAMILTON. I will tell you that officially on the 1st of July he was the deputy to the campaign director.

Mr. EVANS. Well, I buy that, but that doesn't change the fact, I think—as I recall it, I think he was sort of the contact man from the White House to go to the reelection committee. But I don't think that changes the essence of what we are saying here.

Mr. HAMILTON. When Malek says: "This is really great work and should have major impact," what do you think he means—impact where?

Mr. EVANS. Well, I don't know what was going on in his mind. I think that goes back to the point we were talking about earlier, that this certainly has a major substantive impact and it certainly, in terms of having a major substantive impact, can't help but favor the incumbent.

Mr. HAMILTON. You think Malek was talking about political impact or impact as to helping older Americans when he wrote this comment?

Mr. EVANS. I guess my personal opinion of what he thought was, he was probably talking in terms of political impact.

Mr. HAMILTON. The last sentence: "We will be sending out seven additional brochures at the rate of approximately one every 2 weeks."

* See p. 8574.

It is still your testimony you had no plan to stagger these brochures for political impact?

Mr. EVANS. We couldn't plan them.

Mr. HAMILTON. So it is still your testimony that there was no plan?

Mr. EVANS. That is my testimony, that it couldn't have been planned even if we wanted to.

Mr. HAMILTON. All right.

Mr. EVANS. All right, let's take it one step further than that. One of the things you've got to say about that, Jim, is that everybody within the White House and at the reelection committee wanted a plan, and from my perspective as staff assistant, it looked to me like they were probably going to come out close to the 2-week intervals and so, therefore, I just took advantage of that fact to say: "Hey, you know, we did what you wanted." I think you will find this is the way it happened. But, in fact, it didn't come out in 2-week intervals.

Mr. HAMILTON. Did you make arrangements for distributing these brochures up on the Hill?

Mr. EVANS. Yes, I think we did, but I think then that was abandoned. I don't think—I think very few of them got distributed up here.

Mr. HAMILTON. Why was it abandoned?

Mr. EVANS. Because they didn't have the means of distributing them up here.

It had to do with an office problem of where you stored them until you got them distributed and that kind of stuff.

Mr. HAMILTON. I asked you a question earlier about the use of these brochures for campaign organizations.

Let me ask you a related question. What was your knowledge as to how these brochures were used in the campaign by the field organization itself?

Mr. EVANS. I didn't know anything about how it was used in the field. In fact, I didn't know if it was. I never knew if they even ordered them.

Mr. HAMILTON. Did you take steps to see that it was distributed to field organizations?

Mr. EVANS. No, field organizations being elected organizations?

Mr. HAMILTON. Yes.

Mr. EVANS. No, the only thing that I know of that I did was to tell him he could get the number off of the brochure.

Mr. HAMILTON. On this September 14, 1972, memorandum for Dan Todd from you entitled "Brochures", is that your B? Did you do that?

Mr. EVANS. Yes.

Mr. LAPHAM. What is the date?

Mr. HAMILTON. September 14, 1972. It states:

Enclosed are the 55 copies you requested of "Opportunities For Older Americans in ACTION." * * * Arrangements have been made for distribution to Republican Senators and Congressmen. The remaining brochures are available to field organizations and other groups we may want to reach. There are two remaining brochures, which will be forwarded when they come in.

And attached to this is a brochure distribution list. What did you mean by "field organizations"?

[The documents referred to were marked Evans exhibit No. 16.*]

* See p. 8575.

Mr. EVANS. Well, I am sure I was referring to his previous memo, that if his people wanted to order them, they could order them. I didn't take any steps to get them to field organizations.

I don't even know what their field organizations was to tell you the truth. I don't think it was very effective.

Mr. HAMILTON. But I take it you interpret "field organizations" here as political field organizations, in other words, Todd's organizations?

Mr. EVANS. I assume that it was it; yes.

Mr. HAMILTON. Now, I've got another memorandum here and I don't know the authorship of this. Maybe you can help me. It is dated August 3, and it is to "Fred" which I take it would be Fred Malek, and it states:

[The document referred to was marked Evans exhibit No. 17.*]

Danny called this a.m. and said that Evans told him at breakfast today that "Colson is having second thoughts (cold feet) about the seven additional brochures." Apparently Volpe called Colson and said DOT didn't want to do a brochure, too political with a quote from the President on the cover, etc. This must have gotten Colson thinking. Danny is quite alarmed. Just wanted you to be aware of the above in case he makes a desperate plea to you to put in a strong call to Colson to get him to back off.

And Malek writes a note: "Please keep pushing on this."—part of this is cut off but I am sure that is what it says—"and keep me advised." Signed "Fred."

Then there is a note up here that apparently is by Todd and it says "Bud says all OK." Frankly I can't read the rest of it. Maybe you can read the rest of it. It is a handwritten note.

Mr. EVANS. Well, one thing it shows is the kind of pressure that I was getting if you can't get anything else out of it.

Mr. HAMILTON. Pressure from whom?

Mr. EVANS. From all of the people here; Todd, Malek, whoever else wrote the memo. I don't know who wrote it but he was obviously—

Mr. HAMILTON. Do you have any idea who might have written that?

Mr. EVANS. No; I don't.

Mr. HAMILTON. Could it have been from Rob Davison?

Mr. EVANS. It could have been.

Mr. HAMILTON. How about Frank Herringer?

Mr. EVANS. Could have.

Mr. HAMILTON. But you have no idea?

Mr. EVANS. No; I really don't know which one it is. Jim.

Mr. HAMILTON. Did you have any conversations with Colson along the line that he was getting cold feet because these brochures were too political?

Mr. EVANS. No; I certainly never put it like that to Colson.

Mr. HAMILTON. Did he put it like that to you?

Mr. EVANS. Did he put it like that to me?

No; I think factually what he did was say that Volpe had problems with it and I think what happened was we agreed not to go ahead with the DOT brochure. So that was never an issue.

Mr. HAMILTON. Why, because it was political?

* See p. 8577.

Mr. EVANS. I think that in Volpe's opinion it was not an advantageous point in time to issue the brochure, I just don't know what was in Volpe's mind.

Mr. HAMILTON. Well, didn't a lot of these brochures have a quote from the President somewhere in the brochure?

Mr. EVANS. Yes; they did.

Mr. HAMILTON. Was it fair to say that Todd and Malek were interested in keeping these brochures in production because of the political fallout?

Mr. EVANS. Well, I think it is fair to say that they were interested in keeping them in production for whatever reason was going on inside their minds at that time.

Mr. HAMILTON. I don't think anybody would disagree with that statement. I am asking you whether or not they imparted to you any indication that they were interested in keeping these brochures in production and putting them out for political benefit?

Mr. EVANS. Well, just about anything that was talked about then was talked about in political terms.

Mr. HAMILTON. Well, their primary interest, is it fair to say, was political?

Mr. EVANS. If I had to say, in my perception, what their interests were, they were political.

Mr. HAMILTON. What was your perception of what Mr. Colson's primary interest was in the brochures?

Mr. EVANS. Well, we talked about both the substantive and the political side of it. So, you know, I guess I would say that he had both interests in it.

Mr. HAMILTON. Would you categorize one as primary?

Mr. EVANS. You are a tough man, Jim. I don't know. I guess that I would back off on that and say they were both interests, that is all I can say. I don't know which was primary.

Mr. HAMILTON. Which one did he talk about the most?

Mr. EVANS. Well, he didn't talk about either one that much at all, I just don't know. I am not going to let you pin me down.

Mr. HAMILTON. I don't mean this to be facetious, but isn't Mr. Colson the one who allegedly said he would run over his grandmother to get the President reelected, which might indicate that his primary interest was political and not focused on older persons, assuming his grandmother, was an older person?

Mr. EVANS. That is not the real man, so I am not going to say, because of that comment, that that is what was motivating him.

Mr. HAMILTON. I don't want to ask repetitive questions, but I am not sure if I asked you about the specific contents of your conversation with Colson as to the DOT brochure.

Mr. EVANS. If you ask, what is the question?

Mr. HAMILTON. Well, this memorandum that we are talking about indicates that you had a discussion with Colson, and Colson indicated that he had second thoughts or cold feet—

Mr. EVANS. No, I think he indicated that Volpe had reservations. I think that got turned around into that kind of phrase, you know, did Volpe—

Mr. HAMILTON. The memorandum does not talk about just the DOT brochure. It said : "Colson is having second thoughts (cold feet) about the seven additional brochures."

Mr. EVANS. No, I don't think that was the case. It is in terms of that, that we talked about the substantive impact of—in what this might have told people in general.

Mr. HAMILTON. Off the record a second.

[Discussion off the record.]

Mr. HAMILTON. Why don't we go back on the record and Gordon will be back in a little bit.

Did you furnish the various departments and agencies a list as to who should receive the brochures?

Mr. EVANS. Part of it. They had their own lists and I furnished whatever departments and agencies that they didn't have.

Mr. HAMILTON. Did you furnish them preprinted mailing labels?

Mr. EVANS. To the extent they didn't have them on their own mailing lists.

Mr. HAMILTON. Where did you get those preprinted mailing labels?

Mr. EVANS. Normally from other departments and agencies.

Mr. HAMILTON. How about telling me about Project FIND?

Mr. EVANS. Project FIND was very much designed, very much pushed by Mr. Flemming. It was sort of his baby. It was designed to find isolated older people and to try to tell them about what rights and benefits they could get under various agency programs.

Mr. HAMILTON. This Project FIND, as I take it, was something really different from these agency brochures?

Mr. EVANS. Yes.

Mr. HAMILTON. A different project?

Mr. EVANS. Definitely.

Mr. HAMILTON. And was it your opinion that there was any political motivation behind Project FIND?

Mr. EVANS. I don't think so. In fact, I got a lot of negative inputs from around the field from Project FIND. Conservatives didn't like it. They felt it was trying to give away Federal money.

Mr. HAMILTON. In this weekly staff report* that I showed you that you have a copy of, there is a paragraph, No. 5, that reads:

Also concerning Project FIND, I have just arranged for USDA—

Which I think means U.S. Department of Agriculture—

to print up 120,000 17½ by 22 posters, which will be posted in all Post Offices, Community Action Agencies, SSA Offices, Elderly Housing projects, and Red Cross offices. This poster will feature the Presidential Seal and a quote by the President which will stand out as a result of its differing color.

This particular passage only speaks about the quote from the President and the Presidential seal. It doesn't say what the posters were about. What were the posters about?

Mr. EVANS. Project FIND, and I think some of them were printed in Spanish for Southern California and Texas, and the object being the number of people that needed help that probably went to the post office, and particularly in rural communities and that this would be a good place to reach them.

* See Malek exhibit No. 29, p. 8427.

Mr. HAMILTON. Well, according to this passage, you were the motivating factor behind the posters. Is that correct? You say you have just arranged for USDA—

Mr. EVANS. Yes, but I was the last link in the chain.

Mr. HAMILTON. Last link in the page? The second paragraph?

Mr. EVANS. I guess I was the last link in the chain and Flemming had requested them and Keller had been working with some PR guy—I don't know who it was—to define them and then finally they asked me to make sure that the Agriculture Department would distribute them.

Mr. HAMILTON. As to this poster, as opposed to the rest of Project FIND, what was your principal motivation for putting it out?

Mr. EVANS. To help make Project FIND successful.

Mr. HAMILTON. Is it your testimony that this particular poster, which featured the Presidential seal and a quote by the President, which would stand out as a result of its differing color, was not primarily a political poster?

Mr. EVANS. No, I don't think it was, although I have never seen the poster and you would have to see the poster to see what its primary thrust was, but I think you will find that the primary thrust of that was to talk in terms of the good that Project FIND could do for the elderly. And that was certainly the basis on which the Agriculture Department distributed them. The fact that the Presidential seal was on there is something that I think probably happens to a number of things. It has been happening throughout the years of history.

Mr. HAMILTON. Mr. Colson writes next to this item, "Excellent." You think this comment was directed toward the Project FIND beneficial results to the aging or toward the political benefits of the poster?

Mr. EVANS. Probably both.

Mr. HAMILTON. How about telling me about the HEW film that had Richardson and Flemming having discussions—

Mr. EVANS. It was presented pretty well in the memo, but, after I saw the tape, I was disappointed—

Mr. LAPHAM. Are we referring to the same status report again?

Mr. HAMILTON. Yes.

Mr. LAPHAM. What paragraph?

Mr. HAMILTON. Paragraph 7.

Mr. EVANS. In fact, it was so bad that the White House refused to distribute it. But the thrust of that was a TV show again showing some of the things that were available for the elderly and how they could take advantage of them.

Mr. HAMILTON. Who paid for this film, HEW?

Mr. EVANS. I don't know.

Mr. HAMILTON. It says HEW "has agreed to produce."

Mr. EVANS. Maybe they did. I don't know. It was a TV show, I think, and I don't think it was ever filmed. I think it was just a taping. They would normally do a video tape and—

Mr. HAMILTON. Was the purpose of the taping and the distribution to aid the elderly or was it for political purposes?

Mr. EVANS. Both.

Mr. HAMILTON. Which primarily?

Mr. EVANS. Basically to aid the elderly. Political purpose was pretty poor. I mean even if you looked at it from the most partisan viewpoint, you wouldn't find much political purpose.

Mr. HAMILTON. Well, you write here—

Mr. EVANS. I know what I wrote.

Mr. HAMILTON. You state:

It is a very political show which stresses time and time again the fantastic things that the President has done for older people. * * * This should be shown in late July or early August. In any event it will be shown before the President is nominated.

And by this Mr. Colson writes, "Good."

Mr. EVANS. That is what I was told it did. When I viewed it, I was told it didn't, and because it didn't do it very well, it was never distributed.

Mr. HAMILTON. It was never distributed?

Mr. EVANS. That is right, to my knowledge it never was.

Mr. HAMILTON. My question was, what was the primary purpose for this production?

Mr. EVANS. Primarily to inform older people what was available to them. The very fact we had Flemming was a good indication of that. What it did, again as you inform people of what is available to them, you have a political impact. And in terms of memos that I write, trying to motivate White House types to back you or anybody else in the administration, you tend to talk in terms of the political side.

Mr. HAMILTON. So it is your testimony the reason you wrote in political terms here was to get Colson on board and it didn't express your true interest in the film?

Mr. EVANS. Well, actually, once I saw the film, I didn't have an interest in it.

Mr. HAMILTON. We have a number of documents here that weren't prepared by you but do indicate that this film was shown or may indicate that this film was shown in Wyoming.

[The documents referred to were marked Evans exhibit No. 18.*]

Mr. EVANS. That is interesting, I didn't know that. I didn't know they even had a copy of it.

Mr. HAMILTON. Who is Eleanor Callahan?

Mr. EVANS. Never heard of her.

Mr. LAPHAM. What was the last name?

Mr. HAMILTON. Eleanor Callahan. The reason I ask that question is there are memorandums here to Mr. Todd from Callahan regarding HEW film prints, which may or may not be the same film.

The Richardson-Flemming film entitled "May the Last Be Best"; is that the title?

Mr. EVANS. I don't know. Is the title in there?

Mr. HAMILTON. No.

Mr. EVANS. I don't know.

Mr. HAMILTON. Well, I tell you what. I think the best way to handle this is to let me give you this series of memorandums, among campaign people it appears, and ask you whether it is your opinion these memorandums relate to the same film. Here, let me give you this one.

Mr. EVANS. I don't know. I don't see how you could tell from what this says here.

Mr. HAMILTON. Well, I don't know either. And my question was—

Mr. EVANS. I don't know.

Mr. HAMILTON. You don't know either?

Mr. EVANS. No.

Mr. HAMILTON. You have never seen any of these memorandums before?

Mr. EVANS. No.

Mr. HAMILTON. Are you aware of any other HEW film besides the one referred to in the staff report?

Mr. EVANS. No; I am not.

Mr. HAMILTON. I want to ask you a few more questions about this weekly staff report.¹ By the way, do you have copies of your other weekly staff reports?

Mr. EVANS. I don't think that I do. You know, I can look again, but I don't think so.

Mr. HAMILTON. I would like you to.

Mr. EVANS. By the way, I wrote very few staff reports. I was one of the few people, I guess, who was very strong about saying, I have too much work to worry about putting together staff reports about what has been done.

Mr. HAMILTON. Are you saying you did not write one weekly?

Mr. EVANS. Oh, I definitely did not.

Mr. HAMILTON. It says, "Weekly Staff Reports."

Mr. EVANS. I would say definitely not. And I guess if I wrote one every 6 weeks—even though in terms of what they called them it was weekly.

Mr. HAMILTON. Well, we are going to want you to produce for us any documents you have that relate to the matters we talked about today, any weekly staff reports that you have, and anything as to what I define as The Responsiveness Program.

Mr. EVANS. Fine.

Mr. HAMILTON. Looking at paragraph 1 of this weekly staff report, which I am not going to read into the record, but which refers to Mr. Williams getting a job at AOA, would you describe what that is all about?

Mr. EVANS. Well, I don't remember all the background of what Williams was doing before he got into AOA. The background on this was that the Administration on Aging had one or two appointments as deputy administrator or whatever he is called in the Administration on Aging, who were longtime Democrats and they had to—as a top job, as an executive job—they had to clear it through the White House. The White House was unwilling to clear that. The compromise was that if that person were made the deputy, that Williams, who was a Republican, would be made special assistant—I guess it is Commission on Aging—so this other person would be made deputy commissioner. The White House cleared him and Williams was then brought on as the special assistant.

Mr. HAMILTON. Why was Williams going to be given the right to review all AOA grants and contracts?

Mr. EVANS. Well, in actual fact that never happened.

Mr. HAMILTON. Well, why was it proposed that he have the right to review that?

Mr. EVANS. Well, it was proposed in terms of the fact that this deputy commissioner was a Democrat and they wanted to have a check and balance on him.

¹ See Malek exhibit No. 29. p. 8427.

Mr. HAMILTON. Is it fair to say that Mr. Williams was put in there for the purpose of making sure that administration friends got grants and contracts and administration enemies did not?

Mr. EVANS. It is fair to say he was put in there to counter balance the deputy, who we were sure would award grants and contracts to groups that were hostile to the administration.

Mr. HAMILTON. This passage talks about a second position which was—

Mr. EVANS. Never happened.

Mr. HAMILTON. It never happened? On page 2, item 10, the passage reads:

I am working with Marumoto and Davison, of Malek's shop, to do them a favor in funding a proposal for Spanish-speaking elderly. It appears that I will be able to get \$100,000 out of OEO for their purposes, and, needless to say, they are quite pleased.

What does that refer to?

Mr. EVANS. No. 1, Marumoto headed up the Spanish-speaking at the White House and he was concerned, as a result of the congressional concern mentioned earlier, that nothing was being done for Spanish-speaking elderly. And he said, "Why?" I being in charge of the elderly, he came to see me and said, "Why isn't anything being done for them?" and you know, my response was, "I don't know. I will have to find out." That in turn led to some contacts at OEO which eventually ended up coming out with the FEA.

Mr. HAMILTON. Was this \$100,000 related to FEA funding?

Mr. EVANS. Yes, but it obviously didn't come out that way and it didn't relate to FEA at that point in time.

Mr. HAMILTON. Well, it states: "It appears that I will be able to get \$100,000 out of OEO." Do you mean you had some type of arrangement with OEO to give you \$100,000 without a specific grantee?

Mr. EVANS. No, the object was to find some way to help Spanish-speaking elderly. And at that point there was no specific grantee, right. I believe this is June, isn't it? Yes, June. I don't believe there was any specific grantee at that point in time. It was a matter, as I said, as you evolve through the conversations with the various people at OEO, it eventually took the slant that we can find the necessity for doing something for Spanish-speaking elderly with the Federation of Experienced Americans.

Mr. HAMILTON. So, it is your testimony that this \$100,000 at this state did not relate to a grant of that amount to any specific grantee; it is just that OEO thought they could make that amount of money available for some program to help the Spanish-speaking elderly?

Mr. EVANS. Right. I believe that was the stage we were at at that date.

Mr. HAMILTON. OK. Now item 11 says:

Baird, of the Educational Research Council of America, has been told by HEW that he will receive a \$50,000 planning grant. He met with them today, but I do not know the results of their meeting.

What was the planning grant for?

Mr. EVANS. This had to do with an overall education—you see, his group is the largest private education group in the country and they have been working totally with private money for the last 12 or 15

years and they came up with an idea to try to integrate the educational curriculum, both horizontally and vertically, from kindergarten all the way to 12th grade and cross all of the subject areas, so that you had a scientific repetition of various educational points across subject lines and throughout grade levels. Pretty exciting idea. And eventually they did get the \$50,000.

Mr. HAMILTON. Who is Mr. Rocha?

Mr. EVANS. Father Rocha?

Mr. HAMILTON. Rocha.

Mr. EVANS. He is a Catholic priest and also was a special assistant to the Secretary of Transportation on Aging and he went around and did some speaking for the Secretary of Transportation around the country, and I talked with him quite a bit, became a very close personal friend. He is presently over in Portugal working on a combination HEW and State Department grant.

Mr. HAMILTON. Were any of his activities political?

Mr. EVANS. No, except to the extent that when he talked, he favored the President.

Mr. HAMILTON. But, he wasn't out making political speeches? In other words, was he a surrogate speaker for the campaign?

Mr. EVANS. No, he was never classified as a surrogate speaker, but he certainly did go around during the fall and talk to the elderly. He told them that he thought that the President was doing a good job, as he talked about elderly matters.

Mr. HAMILTON. Did he go to political meetings?

Mr. EVANS. No, not to my knowledge. You know, I can't account for every minute of his time.

Mr. HAMILTON. Apparently, he was in this Richardson-Flemming film?

Mr. EVANS. Yes.

Mr. HAMILTON. So he was engaged in matters that were political if your characterization, "It is a very political show," is correct.

Mr. EVANS. Oh, if that characterization is here—I don't know if you got a copy of the film, but I don't—but it would be worth seeing. I think you would agree that it is not very political.

Mr. HAMILTON. And Mr. Flemming served as a surrogate speaker, didn't he?

Mr. EVANS. Yes, well I don't know if he was ever technically on the surrogate list, but he certainly did a lot of speaking around the country. I don't know whether he spoke at political rallies or not.

Mr. HAMILTON. And Frank Troy was his advance man?

Mr. EVANS. Yes.

Mr. HAMILTON. And Troy was paid by HEW, is that correct?

Mr. EVANS. He was with the White House Conference on Aging.

Mr. HAMILTON. Well, was he paid by the White House Conference on Aging?

Mr. EVANS. I gathered the White House Conference on Aging was funded from HEW moneys.

Mr. HAMILTON. Is that right?

Mr. EVANS. Yes, that is what my understanding of it was, but I don't know all of the technicalities of that, so I can't—

Mr. HAMILTON. Did Mr. Troy work out of, or have a connection with, the reelection committee?

Mr. EVANS. He definitely didn't work out of it. I think he knew a few of the people over there, but I don't know what other connection he had with them.

Mr. HAMILTON. Paragraph 19 of this memorandum talks about Troy's being brought on board to act as Flemming's scheduling and advanceman from now until the election, with HEW picking up the tab.

I take it that Troy's activities were to be primarily political, since he was working as an advanceman until the election?

Mr. EVANS. Well, Troy's activities, as I understood them, were to make Flemming more effective in whatever he spoke. Now, I don't believe he ever got into political forums, but you would have to look at his schedule. I don't know what his schedule was. I think they were pretty much nonpartisan forums and certainly as he was more effective in relation to those nonpartisan forums, it had a positive effect.

Mr. HAMILTON. Was it your opinion that Troy's activities should be tied in with the reelection to office?

Mr. EVANS. I don't think that they were, because I don't think that Flemming was ever on the surrogate list, but I can't give you a specific on that.

Mr. FREEDMAN. I am not sure either.

Mr. HAMILTON. Well, let me show you a memorandum here dated June 19, 1972, from you to Fred Malek. Subject, "Flemming's Scheduling—Advanceman."

[The document referred to was marked Evans exhibit No. 19.¹]

Mr. EVANS. Yes; I don't think he ever was.

Mr. HAMILTON. The paragraph I was going to read is this one:

As Dr. Flemming stated, he would like Troy to be tied in with the Tour Office at the Re-election Committee. I realize this may present a problem, but hopefully not an insurmountable one. * * * The Tour Office should be alerted that Troy is on board and should be told * * *.

I take it that the purpose of this memorandum was to plan the use of Troy for Flemming on political trips?

Mr. EVANS. I guess I don't bite off on that the way you did, in that I am not sure, and I think actually that—I think to the contrary; that Flemming was not involved in political trips. I think what we are saying there is that he be coordinated with the political trips that other people were taking.

Do you see the distinction there?

Mr. HAMILTON. I see the distinction, but Troy was being hired until the election.

Mr. EVANS. The other thing on that, I don't know how long he did work.

Mr. HAMILTON. Well, that is what you say in your memorandum to Colson:² "Frank Troy will be brought on board on July 5 to act as Flemming's scheduling—advanceman from now until the election," indicating that Troy's activities were going to be primarily political, if he was just going to be there until the election, that is. Do you think that is a proper use of Government resources, to have somebody as a

¹ See p. 8584.

² See Malek exhibit No. 29, p. 8430.

consultant to HEW paid by Government money to be an advance-man for political purposes?

Mr. EVANS. I guess I don't think it is proper if he was an advance-man for political purposes. I guess I am not sure I agree with the contention that he was. No. 1, I think he was paid out of the White House Conference on Aging, which is to an extent separate from HEW. He certainly worked with the White House Conference on Aging.

Mr. HAMILTON. It would still be Government funds being used.

Mr. EVANS. No. 2, I don't think he was ever tied into the Tour Office, and No. 3, I think there are Government funds used in the White House. That doesn't mean that people in the White House can't go out and talk about the President in positive terms. And if that is part of the White House Conference on Aging, that is tied to the White House. Therefore, where you are headed I think is a little bit off base.

Mr. HAMILTON. Let me go back to the brochures for a minute. This is a brochure—actually we have two brochures here that were put out by HEW. One is entitled, "The President Speaks to Older Americans," and the other one is entitled, "The President Speaks to Older Americans Again."

[The document referred to was marked Evans exhibit No. 20.*]

Mr. EVANS. In light of that, one of the things that you might want to know, the first one was done before I got there. So, all I did was see it in final form. The second one I worked on to attempt to get it printed. You know, I don't know all of the steps that led up to it and I don't remember exactly who all was involved, but it was just a followup to the original one.

Mr. FREEDMAN. Did HEW print it?

Mr. EVANS. I believe they did.

Mr. HAMILTON. Well, let me just ask a couple of questions. Is this one of the brochures that we were talking about before?

Mr. EVANS. No.

Mr. HAMILTON. This is an entirely different brochure?

Mr. EVANS. This was just a followup to what was already out.

Mr. HAMILTON. What was your notion of the purpose of this brochure?

Mr. EVANS. I think that shows a number of concerns of the President of the United States on behalf of older people.

Mr. HAMILTON. Do you know when the second brochure was put out?

Mr. EVANS. I think that came out early 1972. I think that came out—

Mr. HAMILTON. It says: "Excerpts from the President's speech to the White House Conference on Aging, his special message on older Americans in his State of the Union message."

Mr. EVANS. That could have been May 1971. That depends on what year.

Mr. HAMILTON. Why was this brochure printed?

Mr. EVANS. To show that the President of the United States was concerned with the well being of older people.

* See p. 8585.

Mr. HAMILTON. Was it printed for political purposes?

Mr. EVANS. Again, as that has an impact on older people favorable to the incumbent, it has political purpose.

Mr. HAMILTON. Neither one of these has a great deal of informational value. In other words, they don't just tell you about programs.

Mr. EVANS. No, but they say that the President is going to do something on behalf of older people. They say that there is concern at the highest level of the Federal Government on their behalf. I would think that would be something that older people would want to know about.

Mr. FREEDMAN. Did you work with Dan Todd in the preparation of the second brochure?

Mr. EVANS. No. Well, I better not say that that definitely. I don't know that Dan was involved in that, but he may have submitted some quotes or something. I don't know.

Mr. HAMILTON. Well, I might add that this document came out of his files.

Mr. EVANS. That could well be. It looks to me like he was attempting to make his efforts look as good as he could, based on what everybody else was doing. That is what I am gathering from what you are showing me here.

Mr. HAMILTON. I think I ought to show you this memorandum. It was sent to you by Todd referring to a second OA brochure. I guess that means Older Americans. I take it what is being referenced here is an actual campaign brochure. Is that correct?

[The document referred to was marked Evans exhibit No. 21.*]

Mr. EVANS. From the date, it looks like it. Yes, I think there was one that came out along those lines. Again, I don't have any of those brochures. I don't remember exactly what form they took, but that is what it looks like.

Mr. HAMILTON. We have been over a number of things here and I would just like to ask a further tie-up question, whether you know of any other instances besides the ones we have talked about here where Government funds were spent to produce films, brochures, or any way whatsoever primarily because of the political benefit that the expenditure of the funds would have?

Mr. LAPHAM. That I think presupposes an earlier answer that some of the material that Mr. Evans has talked about were produced primarily for that political purpose.

Mr. HAMILTON. Well, let me say, I don't expect Mr. Evans to accept, in answering the question, my assumption of that nature. I think there may be conclusions drawn contrary to Mr. Evans' conclusions as to why the money was expended by some people, but I don't think that for the purposes of the question that he has to accept my assumption. I would be happy to rephrase it.

Mr. LAPHAM. I don't think you need to rephrase it so long as we don't have to accept your premise.

Mr. EVANS. That is fine. Now, my immediate reaction is no; I don't think of any other instances offhand, but I guess my feeling is that I would certainly want to reflect on that one at considerable length before I gave a flat no to it. I don't know if you would like me to

* See p. 8593.

answer it in the letter that has materials that we well send to you.

Mr. HAMILTON. I think that is a good idea. When you send those materials to us that we are going to ask you for, respond to that question as best you can.

Mr. EVANS. Good.

Mr. HAMILTON. I would hope that—

Mr. LAPHAM. I wonder in that connection, if we are going to be called upon to make a response to a specific question which is rather a long question, if you can include in your letter to us the text of that question so we can have it before us when we are trying to put together a response to it?

Mr. HAMILTON. I think the question is pretty simple and that is—

Mr. LAPHAM. I will take the question down.

Mr. HAMILTON. Why don't you let me give it to you right now? The question is basically, Do you know of any instances where U.S. Government funds were expended for the primary purpose of benefiting the President's reelection campaign? And in this answer, you need not refer, one way or the other, any of the items talked about here as to which I think Mr. Evans is now on the record.

Mr. LAPHAM. So, the question excludes any of the documentary materials that Mr. Evans has testified about today?

Mr. HAMILTON. Any of the documentary materials or the subject matters.

Mr. EVANS. The testimony.

Mr. HAMILTON. Now, let me say that the subpoena we will serve will ask for documents relating to these matters that he has testified to.

Gordon, do you have any questions?

Mr. FRIEDMAN. No.

Mr. HAMILTON. I think we can adjourn.

[Discussion off the record.]

Mr. LAPHAM. I would like to make one comment if I could. Mr. Evans, you have been shown a number of documents today and you have been examined about these documents; some in memorandum form and some in other forms; some prepared by you and some prepared by others; some dated and some undated; some consisting of one page and some consisting of several pages. Have you seen any of those documents since you left the White House?

Mr. EVANS. No.

Mr. LAPHAM. To the best of your knowledge.

Mr. EVANS. To the best of my knowledge; no.

Mr. LAPHAM. That is all I have, except to state on the record my understanding that you will be giving us within a matter of days a subpoena for documents which you will more particularly describe in the subpoena, and that along with our response to that subpoena we will make an effort to answer—Mr. Evans will make an effort to answer the question that I have noted, that you recited a moment ago.

Mr. HAMILTON. That is correct.

[Whereupon, at 2 p.m., the committee recessed, subject to the call of the Chair.]

EVANS EXHIBIT NO. 1

August 31, 1972

FEDERAL DEFICIENCY

BURN BEFORE READING
EYES ONLY

MEMORANDUM FOR: ROB DAVISON
FROM: L. J. EVANS, JR.

Attached is a proposal which the Federation of Experienced Americans submitted to Commissioner Martin of the Administration on Aging today. This is the "Public Awareness" proposal, which I mentioned to you yesterday. It includes provision for the following PR opportunities between now and November 7:

- 1 3 columns per week for dailies
- 1 column per week for weeklies
- 5 5-minute radio tapes per week for radio stations
- 1 10-minute TV special for every two weeks
- 1 newsletter
- 2 1/2-hour TV specials in the 14 key states.

As you can tell, this could be a highly effective tool between now and November 7, and I would urge that you would give it the highest priority possible when talking with Mastrangelo.

Please let me know if there is any way in which I can assist your efforts and if any snags arise concerning the funding of this proposal. We would like to have the proposal funded by September 8 so that we can have two months of good PR about the 33 percent of the voters going to the polls in November, "who are over 60" after November."

Attachment

CC: Charles W. Colson

BURN BEFORE READING
EYES ONLY

8488

EVANS EXHIBIT No. 2

August 18, 1972

CONFIDENTIAL

MEMORANDUM FOR BUD EVANS

FROM: DAN TODD

SUBJECT: 1701 Brochures

In view of the political restrictions in
FEA incorporation papers, I am having
brochures sent to you personally.

EVANS EXHIBIT NO. 3

CONFIDENTIAL

This is a report on the results of work performed pursuant to a request of the addressed when authorization should be obtained before further releases of this report.



**REPORT TO THE
SPECIAL COMMITTEE ON AGING
AND THE SUBCOMMITTEE ON AGING,
COMMITTEE ON LABOR
AND PUBLIC WELFARE
UNITED STATES SENATE**

**Award Of A Contract
And A Grant To The Federation Of
Experienced Americans, Inc., And
Related Financial And
Program Activities**

B-163922

Department of Labor
Office of Economic Opportunity

**BY THE COMPTROLLER GENERAL
OF THE UNITED STATES**



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-163922

The Honorable Thomas F. Eagleton
Chairman, Subcommittee on Aging
Committee on Labor and Public Welfare
United States Senate

Dear Mr. Chairman:

We are reporting on the financial and program activities under a Department of Labor contract and an Office of Economic Opportunity grant to the Federation of Experienced Americans, Inc., of Washington, D.C. This review was made at your request and at the request of the Chairman, Senate Special Committee on Aging, on March 5, 1973, and June 29, 1973, and this report summarizes the results of our review.

As your office requested, agency officials, the contractor/grantee, and other affected parties were not given an opportunity to formally examine and comment on this report. This fact should be considered in any use made of the information presented.

Copies of this report are also being furnished to the Chairman of the Senate Special Committee on Aging. We do not plan to distribute this report further unless you approve or publicly announce its contents.

Sincerely yours,


Comptroller General
of the United States

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APPENDIX

II Letter dated June 29, 1973, from Chairmen,
 Special Committee on Aging, U.S. Senate
 and Subcommittee on Aging, Senate Com-
 mittee on Labor and Public Welfare

37

ABBREVIATIONS

DHRD	California State Department of Human Resources Development
FEA	Federation of Experienced Americans
GAO	General Accounting Office
HRC	United States Human Resources Corporation
JOA	Jobs for Older Americans
OEO	Office of Economic Opportunity
RJI	Retirement Jobs Incorporated

COMPTROLLER GENERAL'S REPORT TO THE
SPECIAL COMMITTEE ON AGING
AND THE SUBCOMMITTEE ON AGING
COMMITTEE ON LABOR AND
PUBLIC WELFARE
UNITED STATES SENATE

AWARD OF A CONTRACT AND A GRANT TO
THE FEDERATION OF EXPERIENCED
AMERICANS, INC., AND RELATED
FINANCIAL AND PROGRAM ACTIVITIES
Department of Labor
Office of Economic Opportunity
B-163922

D I G E S T

WHY THE REVIEW WAS MADE

At the request of the Committees, GAO

--reviewed the bases on which a contract and a grant were awarded to the Federation of Experienced Americans (FEA) by the Department of Labor and the Office of Economic Opportunity (OEO);

--identified persons involved in the awards and their activities; and

--reviewed financial and program activities of FEA through June 30, 1973.

FEA administered a program for the Department of Labor under a cost-reimbursement contract amounting to \$1,540,000. The program was designed to enroll and provide subsidized work to 350 individuals who were at least 55 years of age and who had been certified as "poor," by Labor's definition. Seventy-five percent of the 350 were to be placed into unsubsidized employment.

FEA also administered a program for the elderly poor under an OEO grant amounting to \$399,839. This was designed to assist in the development of new approaches and methods for overcoming special problems of the Spanish-speaking elderly poor.

GAO discussed its findings with officials of Labor, OEO, and FEA. However, these officials and other

affected parties have not been given an opportunity to formally examine and comment on this report, as agreed with the Committees.

FINDINGS AND CONCLUSIONS

P r e a w a r d a c t i v i t i e s

The grant and contract awards were processed outside normal procedures. Officials of Labor and OEO said that both the grant and the contract had substantial White House backing. (See p. 12.)

P r o g r a m a c t i v i t i e s a n d r e s u l t s

GAO did not review FEA's program activities under the grant since OEO was in the process of doing so. (See p. 20.)

Under Labor's contract FEA operated an Operation Mainstream program in California--Oakland and San Francisco--and Florida. The Florida component was managed effectively. Some minor deficiencies were brought to the attention of the project director who agreed to correct them. (See p. 20.)

The Oakland component was not effective in achieving its primary objectives--training and placing disadvantaged elderly persons in unsubsidized jobs.

Many of its enrollees, claimed as unsubsidized placements by the

Oakland component, actually had been working for the same employer or industry before, during, and after their enrollment. They had also earned amounts above the poverty level income criteria used by Labor in determining eligibility.

Neither the enrollees claimed as placements by the Oakland component nor their employers had been made aware of the program's objectives. (See pp. 22 and 24.)

Almost all the enrollees participating in Oakland were placed in private for-profit concerns--primarily in the garment industry--which was not in accordance with contract provisions that subsidized placements be with public or private nonprofit institutions. (See p. 26.)

At the FEA component in San Francisco, program goals generally were being accomplished, although the record-keeping activities and internal control procedures needed improvement. The project's director subsequently advised GAO of actions taken to overcome these problems.

Financial activities

Lack of appropriate checks and balances rendered FEA's accounting system and related internal controls inadequate.

Appropriate controls had not been established to encourage compliance with contract and grant requirements, to insure that contract and grant funds were used only for authorized purposes, or to check the accuracy or reliability of accounting records.

As a result of the deficiencies

noted, GAO questioned expenditures of about \$184,000 under the contract and about \$30,000 under the grant (See pp. 33 and 34.)

In several instances FEA used contract funds for expenditures under the grant and vice versa. Contract and grant funds were also used for personal expenditures of FEA's president.

FEA employees traveled outside program areas without authorization from Labor and OEO officials. Trips were made without documenting the purposes. No reports were made of the business conducted. GAO questioned about \$23,700 of travel expenses for these and other reasons. (See p. 30.)

FEA made a large number of equipment and supply purchases amounting to \$3,807 through private suppliers without first obtaining written permission from the contracting officer as required under its contract with Labor. (See p. 31.)

AGENCY ACTIONS

Both Labor and OEO have notified FEA that after weighing all pertinent available facts and considerations, it would be in the best interest of the Government not to refund present programs with FEA.

Labor and OEO will make the final determination of the allowability of costs questioned by GAO under the contract and grant, respectively. In addition, Labor auditors will audit FEA's financial transactions for the period from July 1, 1973, to the end of the contract and the grant periods.

CHAPTER 1INTRODUCTION

Pursuant to joint requests from the Senate Special Committee on Aging and the Subcommittee on Aging, Senate Committee on Labor and Public Welfare, dated March 5, and June 29, 1973, (see apps. I and II), we reviewed selected aspects of a contract and a grant awarded to the Federation of Experienced Americans (FEA) by the Department of Labor and the Office of Economic Opportunity (OEO), respectively.

The initial request involved verifying certain information provided by the Labor Department in response to a joint inquiry from the Committees concerning the contract awarded to FEA.

Subsequently, the Committees requested that we:

- Determine the bases upon which the contract and grant awards were made and identify persons involved in the awards and their activities.
- Conduct a full financial audit of FEA activities.
- Examine the manner in which the federally funded programs were being carried out.

We did not evaluate FEA's overall effectiveness in accomplishing the program objectives for which OEO funds were provided because OEO was evaluating this matter at the time we completed our fieldwork.

We discussed the results of the program and financial aspects of the review with FEA, Labor, and OEO officials. As noted in subsequent chapters, Labor and OEO will resolve the financial questions raised in the audit and both agencies have decided to discontinue funding FEA programs.

CHAPTER 2FEA ORGANIZATION AND OPERATIONSORGANIZATION

FEA is a nonprofit corporation, incorporated in the District of Columbia on March 29, 1972, to, according to the articles of incorporation, (1) carry on educational activities by establishing a network of business and professional people with a special interest in aging and a willingness to support sound programs and policies on behalf of older persons, (2) develop the expertise to use Federal funds appropriated on behalf of experienced Americans, (3) develop services, including those for pensions, medical help, housing, employment, education, transportation, vocation, and recreation, which will benefit older persons, and (4) create a communication network to inform older Americans of programs and services available to them and to help them articulate their desires.

FEA's constitution and bylaws in effect during fiscal year 1973, the period covered by our audit, state that FEA management is to be vested in three executive directors. According to the FEA president, who was also the founder of FEA, the executive directors and their functions were:

<u>Position</u>	<u>Director</u>	<u>Principal functions</u>
Chairman of the Board	Dr. Theodore Klumpp	Advisor and consultant.
President/treasurer	David W. Brody	Directs all programs and is personally responsible for program content and quality.
Corporation secretary	Dr. James P. Baker	Advisor and consultant.

FEA's organization chart shows that it is governed by a four-member board of directors which includes, in addition to the three executive directors mentioned above, Mr. Hugh W. Brenneman.

The board is required to meet annually by FEA's charter. FEA's president is responsible for developing, designing, and implementing relevant programs for older citizens. We did not ascertain the extent of the other board members' involvement in the direction or management of FEA.

Background of FEA officials

Data submitted to Labor before the contract was awarded shows that Mr. Brody did undergraduate work at the University of Connecticut and Boston University from which he received bachelor of science degrees in industrial management and mathematics, respectively. According to the data, Mr. Brody also received a master of business administration degree with a major in business administration from Boston College in 1965.

Mr. Brody's resume showed that since 1955 he has worked as a program coordinator and as a planning director for contractors with defense contracts; as a project engineer, an assistant director of marketing, and in managerial positions with various private consulting firms; and, immediately prior to his presidency of FEA, was an independent consultant to the Health Maintenance Organization Service, Department of Health, Education, and Welfare. His resume does not indicate any involvement in the area of gerontology, and our discussions with him confirmed this.

Data submitted to Labor shows that Dr. Klumpp, chairman of the board, was a 1928 graduate of Harvard Medical School and had been associated with various activities dealing with the aged and rehabilitation. It showed that he was a member of the Governor's Council on Rehabilitation, State of New York; Committee on Aging, Council on Medical Services of the American Medical Association; Panel on Aging, (Department of Health, Education, and Welfare) Washington, D.C.; and the State Vocational Rehabilitation Planning Council, New York City. The data showed that Dr. Klumpp was also the chairman of Winthrop Laboratories, a division of Sterling Drugs, and was the director and vice president of Sterling Drugs, Inc.

Labor's data showed that Dr. James P. Baker was a practicing surgeon in Virginia where he had formed a partnership to construct a 60-bed nursing home. He was a charter member and vice president for Medical Affairs of the American

Society for Cybernetics and was conducting research on problems of the elderly under the auspices of the Albert Lundy Baker Memorial Foundation and Ecosystems Research Corporation of which he was president and chairman of the board, respectively.

Mr. Hugh W. Brenneman, according to Labor's data, was a Michigan public relations consultant who had worked for various organizations, including many Michigan health associations. The data showed that he was executive director of the Michigan Association of the Professions and president of the American Association of the Professions.

OPERATIONS

In administering Labor's contract, FEA worked through its project-type organization, known as Jobs for Older Americans (JOA), which had three offices--one in Tallahassee, Florida, and two in the San Francisco, California, area.

Dr. Robert G. Turner and William M. Whitaker III were the Florida project director and Tallahassee project director, respectively. In charge of the San Francisco JOA operations was Beatrice Gartz, a retired educator. Dr. Edward K. Chook managed a third JOA office in Oakland, California. The JOA San Francisco office handled most administrative matters for the Oakland office, but the Oakland office was independent with respect to program activities.

FEA's subcontractor under the OEO grant was the United States Human Resources Corporation (HRC), a for-profit organization also in the San Francisco area. HRC has organized, planned, and developed a number of programs for public and private agencies and community development corporations. The president of HRC is Herman Gallegos.

CHAPTER 3LABOR CONTRACT AND OEO GRANT

FEA obtained a contract from Labor's Manpower Administration and a grant from the Special Programs Division of OEO as follows.

<u>Contract grant number</u>	<u>Amount</u>	<u>Period</u>	<u>Statutory authority and program</u>
<u>Labor</u>			
2607-99	\$1,540,000	6-30-72 ^a 1-31-74	Title IB, Economic Opportunity Act of 1964, as amended (42 U.S.C. 2740) (Operation Main-stream)
<u>OEO</u>			
30064	399,839	11-1-72 ^b 2-28-74	Title IIC, Economic Opportunity Act of 1964, as amended (42 U.S.C. 2825) (Research and pilot programs)

^a Expiration date of June 30, 1973, extended to January 31, 1974, and funds increased from \$1 million to \$1,540,000.

^b Expiration date of October 31, 1973, extended to February 28, 1974, at no increase in funds.

CONTRACT 2607-99

The contract with FEA was initially for the period June 30, 1972, through June 30, 1973, and was made under title IB of the Economic Opportunity Act of 1964, as amended, which authorized "financial assistance in urban and rural areas for comprehensive work and training programs or components of such programs * * *."

The specific objectives of the project authorized by the contract were "to provide work opportunities for elderly disadvantaged workers in California and Florida," and to "provide an expansion of existing needed services by creating additional employees to work in current programs where there is a shortage of personnel."

The contract provided that FEA would (1) enroll individuals who were 55 years old or older and certified as poor by Labor's definition and who were chronically unemployed--meaning unemployed for more than 15 consecutive weeks, repeatedly unemployed over the prior 2 years, or employed less than 20 hours a week for more than 26 consecutive weeks and (2) enroll 350 persons and place 75 percent of them in unsubsidized employment. The enrollees were to be employed in Northern California and in the greater Tallahassee area and to work no more than 20 hours a week for 50 weeks. They were to be paid between \$1.60 and \$3 per hour.

On June 28, 1973, Labor extended FEA's contract from June 30, 1973, to December 31, 1973, and increased the total amount of the contract by \$540,000. Labor decided to extend all the Operation Mainstream national contracts to December 31, 1973, to put them on a uniform contract cycle. This, according to Labor program officials, would enable the Labor Department to uniformly implement program changes.

On December 14, 1973, Labor notified FEA that, after carefully weighing all available facts and considerations, it had concluded it would be in the Government's best interest not to refund the FEA contract. Labor has taken steps to transfer FEA enrollees to projects operated by other Operation Mainstream contractors. To allow for an orderly closing out of the contract and to insure that FEA's Operation Mainstream enrollees would have a smooth transition to other Operation Mainstream programs, Labor extended FEA's contract for 1 month, to January 31, 1974.

The following schedule shows the budgeted contract costs for the original contract period and for the extension.

Budgeted FEA Costs For Labor Contract 2607-99

	<u>Total</u>	<u>JOA</u>	<u>FEA</u>
Enrollee costs:			
1 year contract	\$ -	\$ 799,386	\$ -
Extension	<u>-</u>	<u>464,170</u>	<u>-</u>
Total	<u>1,263,556</u>	<u>1,263,556</u>	<u>-</u>
Administrative costs:			
1 year contract	-	-	48,842
Extension	<u>-</u>	<u>9,950</u>	<u>18,096</u>
Total	<u>76,888</u>	<u>9,950</u>	<u>66,938</u>
Staff costs:			
1 year contract	-	64,032	58,960
Extension	<u>-</u>	<u>44,123</u>	<u>32,441</u>
Total	<u>199,556</u>	<u>108,155</u>	<u>91,401</u>
Total contract costs	<u>\$1,540,000</u>	<u>\$1,381,661</u>	<u>\$158,339</u>

GRANT 30064

The grant was awarded for the period of November 1, 1972, through October 31, 1973, under title IIC of the Economic Opportunity Act of 1964, as amended, allowing the Director of OEO to

"provide financial assistance for pilot or demonstration projects conducted by public or private agencies which are designed to test or assist in the development of new approaches or methods that will aid in overcoming special problems * * *."

This subsection also permits OEO to fund research pertaining to such approaches or methods.

The grant-funded project, "Outreach Program for the Elderly Poor", was described in OEO documents as having these objectives:

1. Develop in-depth demographic data on the characteristics and needs of the elderly poor.
2. Ascertain whether distinctive problems exist for the Spanish-speaking elderly poor and whether special techniques may be available to deal with these problems.
3. If other special groups among the elderly poor appear to have such distinctive problems, attempt to identify and recommend further research on these problems.
4. Establish three prototype resource centers for the elderly in communities of predominantly Mexican-American, Puerto Rican, and Cuban ethnic composition.
5. Establish a National Information Center to assemble information on federally sponsored programs aimed at benefiting the elderly poor and to disseminate this data to the three prototype resource centers.

FEA contracted out most of the work under the grant to HRC, a San Francisco based corporation with a history of service in programs dealing with Spanish-speaking Americans. HRC had submitted the original proposal for the outreach program to OEO; HRC was not awarded the grant, however, because of OEO's policy to award grants of this type to non-profit organizations. According to OEO program officials, FEA was invited to participate in the project because of its nonprofit status and it was agreed that HRC would serve as the subcontractor for the grant.

On November 2, and December 3, 1973, OEO notified FEA that the grant would be extended for 1 month at no additional cost. An OEO program official told us that the Director of OEO (1) had decided to extend the grant for November and December and (2) wanted to have a complete review of the grant made before he decided whether to terminate funding.

On January 18, 1974, OEO notified FEA that, after carefully weighing all pertinent facts and considerations, it had concluded it would be in the Government's best interest not to refund the present FEA grant, but it gave the grantee until February 28, 1974, to phase out the grant.

The budgeted costs for the OEO grant are set forth below.

Budgeted Costs For OEO Grant 30064

	<u>Total</u>	<u>FEA</u>	<u>HRC</u>
Staff costs	\$241,231	\$ 93,743	\$147,488
Administrative cost	<u>158,608</u>	<u>29,394</u>	<u>129,214</u>
Total grant costs	<u>\$399,839</u>	<u>\$123,137</u>	<u>\$276,702</u>

CHAPTER 4PREAWARD ACTIVITIES

The committees requesting the review were particularly interested in the activities leading to the award of Labor's contract and OEO's grant. According to the information provided by Labor and OEO officials, there was substantial White House backing for both the contract and the grant and both awards were processed outside the agencies' normal processing procedures.

CONTRACT AWARD ACTIVITIES

In keeping with President Nixon's promise to the White House Conference on the Aging in November 1971 that the jobs program for older persons with low incomes would be doubled to \$26 million, then Secretary of Labor, J.D. Hodgson, announced on April 19, 1972, that the additional \$13 million had been allocated to help about 5,000 older workers.

Secretary Hodgson said that \$10 million would be used to increase funds for five existing national contracts. An additional \$2 million would be used in local older worker projects negotiated and approved by Labor's regional manpower administrators. A decision on how the remaining \$1 million was to be allocated was to be made before June 30, 1972.

The five national contracts awarded, according to Secretary Hodgson, were to (1) National Retired Teachers Association, (2) National Farmers' Union, (3) U.S. Forest Service, (4) National Council of Senior Citizens, and (5) National Council on the Aging.

All opportunities under the expansion program were for persons 55 and older. Enrollees were to work in locally sponsored projects that provided needed public services or improved the physical or social environment.

We discussed pre-contract award activities with Labor officials--both current and former--who were involved. Included in our discussions were the former Assistant Secretary for Manpower and his former executive assistant, the former chief, Division of Work Experience, Manpower Administration, and other officials involved in various aspects of the

contract. We also reviewed documents dealing with preaward activities available from Labor files or from the individuals involved.

The former Assistant Secretary advised us that the White House took an active role in directing the Labor Department as to how the expansion moneys were to be spent. The White House staff member involved was identified as L. J. Evans, Jr. According to the former Assistant Secretary, the White House wanted the \$13 million in expansion moneys to go to organizations considered friendly to the administration. Labor's initial allocation plan did not satisfy this requirement and, according to the former Assistant Secretary, Mr. Evans and the former executive assistant worked out a compromise plan which called for awarding a \$1 million contract to an organization to be selected by the White House. This occurred in February 1972.

The former executive assistant told us the White House wanted Labor to cut back and/or terminate funding for two of the Operation Mainstream national contractors--the National Council on the Aging and the National Council of Senior Citizens. He stated that Labor had no intention of reducing or terminating funding with these groups, primarily because an evaluation report had stated that the nationally run contracts were the best segment of the Operation Mainstream program in terms of accomplishments and meeting of program objectives.

According to the former executive assistant, he met with Mr. Evans and FEA representatives three times in Mr. Evans' office and with FEA representatives and lower level Labor program officials in the office of the former Assistant Secretary for Manpower. A Labor Department chronology of preaward activities provided details of the latter meeting, as well as subsequent meetings, and notes that Labor officials were instructed to assist in developing an older worker project using \$1 million of Operation Mainstream's expansion moneys.

Labor records show that the initial FEA proposal, while considered fundable, contained certain weaknesses and required revision. A second proposal was submitted to the Department and program officials decided to meet with the FEA president to clarify a number of issues, including the matter of FEA's capability. The program official primarily involved said that the purpose of the proposed meeting was the subject of telephone inquiries from both the former Assistant Secretary for Manpower and his executive assistant. After some

discussions as to the level at which the meeting should take place, they decided that it should be at the program official's level. The executive assistant ultimately directed the program official to pursue all matters with the FEA president, except FEA's capability, which the executive assistant said he would handle personally.

The executive assistant told us that he requested the FEA president to supply additional information regarding the capabilities of FEA and the FEA president. On June 15, 1972, the FEA president provided Labor with four reference letters regarding his character, integrity, and ability as an organizer, as well as background data on the members of the board and copies of FEA's articles of incorporation, constitution, and bylaws.

Labor Department records show that the above-mentioned meeting was held on June 7, 1972, and the FEA president agreed to revise the proposal and resubmit it by June 9, 1972. The revised proposal was submitted on June 10; the Department expedited processing of the proposal and records show that on June 30, Labor officials called the FEA president to come in and sign the contract document.

The former Assistant Secretary told us that he was responsible for the Department's action in funding FEA. He stated that, in his opinion, the \$13 million was not allocated unreasonably in that only \$1 million had gone to a new organization reportedly friendly to the administration. Some \$8 million had gone to existing contractors reportedly unfriendly to the administration, an additional \$2 million went to the U.S. Forest Service, and the remaining \$2 million was set aside for locally sponsored projects. He did not believe undue pressure had been exerted on him to fund FEA. He summed up his position by saying that he had merely responded to White House requests for consideration.

GRANT AWARD ACTIVITIES

FEA files contained a copy of an HRC proposal to establish 24 centers for the Spanish-speaking elderly. The proposal was submitted to the White House on June 9, 1972, and was also submitted to OEO. According to OEO officials, HRC was not awarded the grant because it was a for-profit consulting firm and FEA was subsequently invited by a White House staff member to participate in the proposal as project

coordinator and HRC was to become a subcontractor to FEA. OEO records show that FEA submitted an unsolicited proposal dated August 31, 1972, for the project. An OEO official advised us that a White House staff member, L. J. Evans, Jr., directed OEO to fund the proposal from FEA which was for a major project concerning elderly Spanish-speaking people.

OEO officials told us that Mr. Evans also instructed OEO to limit its forthcoming contract extension with the National Council on the Aging to 6 months after which OEO would be expected to award a grant or contract to FEA to provide a full range of professional training and technical assistance for OEO aging programs that had been provided by the National Council on the Aging for many years with funds from OEO and other agencies.

The former Chief of the Older Persons Programs, in OEO's Office of Operations, stated in a memo dated November 17, 1972, on his review of the proposal that he had been given FEA's proposal for review on or about September 18, 1972. He said in the memo that he was "shocked at the weakness" of the proposal and wrote "a devastating" critique, which stated in part:

"* * * the proposal as now written is an extraordinary weak, unfocused, uniformed and unprofessional job. It is without a doubt the weakest proposal of this magnitude that I have ever reviewed. It is really an unbroken chain of mundane cliches, uniformed statements of purported fact and immoderate condemnation of all existing agencies and programs as they relate to the Spanish-speaking elderly* * *."

The former Chief's memo said that he was later given a copy of a letter dated October 20, 1972, from the FEA president which contained some modifications of the work plan and a "loosely constructed" budget for about \$400,000. OEO program officials told us that despite their disapproval the former Associate Director of OEO's Office of Program Review instructed the former Chief to get the project funded and gave the Older Persons program staff 24 hours to produce a signed grant document.

The former Chief's memo stated that he was (1) told the grant was to be completely processed and signed by the end of the following day, (2) instructed to serve as the project

manager for the grant and in that capacity to sign as its originator and to prepare in draft all the necessary technical grant papers with the help of a technician in the Grants Processing Branch, and (3) told that the work program and budget were to be accepted as presented with no further opportunity for negotiating work or budget provisions.

OEO officials said that, at a briefing session held October 31, 1972, they were advised by the executive assistant to the former Associate Director for Program Review that the normal agency requirement for Project Review Board approval had been waived, that normal approval of the Mayor of Washington and certain governors would be handled informally, and that standard procedures for announcing the grant were to be bypassed for the time being.

A set of special conditions was prepared which, according to the former Chief, would have provided the Government with some control over the conduct of the work program. The former Chief said he was told by the former Associate Director for Program Review that the special conditions were considered to be too harsh and perhaps illegal. They were later considerably revised. All the other grant papers, according to the former Chief, were typed on October 31, by an FEA secretary who was sent to OEO for that purpose.

The former Chief, in his critique of the grant, stated the following reservations:

1. He considered the grantee totally unqualified to do the job.
2. He thought the grant could produce nothing that was not already well researched and tested. He stated also that it was a weak and poorly designed plan.
3. He believed that a planning grant of this nature should not exceed \$75,000 to \$90,000.
4. He sensed that he had been used to give the grant some semblance of legitimacy.
5. FEA had not, and could never, within several years, acquire an acceptable degree of competence to perform training and technical assistance functions which would be required if FEA took over other grantees'

responsibilities and that no service at all would be preferable to a contract with FEA from program and political standpoints.

We discussed the preaward activities leading to the OEO grant with the former Associate Director for Program Review, who became acting OEO Director in January of 1973, and with his former executive assistant. They said the former Associate Director was aware of FEA's proposal and was in favor of executing a grant to FEA. The former executive assistant, however, was the OEO official most involved in the preaward activities.

The former Associate Director advised us that the FEA grant had White House backing and that he believed the grant award was valid. He also stated that, if the grantee was qualified and if the funds could be used effectively in a nonpolitical manner, he believed he was justified in recommending that the award be made. The former Associate Director said FEA's White House support was not unique since it had expressed support for other specific grants or contracts.

The former executive assistant told us that, to the best of his knowledge, the former Associate Director had accompanied him to the White House to meet with Mr. Evans, but that after the initial White House meeting, the Associate Director did not get involved in the day to day activities involving the proposal. He said he perceived the fact that the former Associate Director had taken him to the White House and introduced him to the former White House staff member as a directive to cooperate with the White House.

The executive assistant told us the FEA proposal was first brought to his attention by the OEO Deputy Director and that he met FEA's president at the initial meeting at Mr. Evans' office. He said that, after OEO received the proposal, Mr. Evans telephoned him to express his support for FEA and then had frequent contact with him until the grant was awarded. The executive assistant said he attempted to get the proposal approved within OEO in the shortest possible time and that this effort, coupled with the fact that he was the executive assistant to the Associate Director for Program Review, may have caused lower level OEO officials to construe his activities as being directed by the Associate Director when in fact they were not.

OEO program officials advised us that the former Associate Director had not been directly involved in any specific preaward activities and that, in all likelihood, he had not been aware of how the FEA grant was processed. The former Associate Director advised that he was surprised to learn that shortcuts had been taken in the grant-processing procedure. He told us that he had directed his executive assistant to insure that any activity undertaken be absolutely above board.

WHITE HOUSE INVOLVEMENT

During our inquiries into purported White House involvement in preaward contract and grant activities, we interviewed L. J. Evans, Jr., the former White House staff member who served as Project Manager for the Elderly. According to agency officials it was this staff member who allegedly intervened in preaward activities. Mr. Evans said his only preaward involvement concerning the Labor Department contract consisted of putting certain potential contractors, including FEA, in contact with appropriate Department officials. Mr. Evans denied any prior knowledge of the OEO grant award and any involvement in the grant's proposal phase.

Labor contract

Mr. Evans said he first learned of FEA's contract through a direct congressional inquiry. He told us that his initial contact with Labor concerning the additional funds made available for the Operation Mainstream program occurred when he was telephoned by a Department official (whose name he could not remember), who inquired as to how the additional funds were to be allocated. Mr. Evans said that he suggested that existing contractors be given the additional money.

Mr. Evans told us that sometime after the phone call from Labor, two contractors--FEA and an existing contractor under the Operation Mainstream program--called his office and asked how they could obtain part of the expansion funds. He said he directed the groups to Labor and later a Department official called him to ask how the contract with FEA should be developed.

Mr. Evans told us that a meeting was arranged in his office between Labor and FEA representatives to discuss the proposed contract. He could only remember one other meeting involving the Operation Mainstream program. This meeting,

held later at the office of the then Assistant Secretary for Manpower, involved a review of plans for distributing the Operation Mainstream expansion funds. According to Mr. Evans, the meeting was requested by the Assistant Secretary.

Mr. Evans said he never intended any of his actions to be construed as "applying pressure" and responded negatively to our questions as to whether he ever directly or indirectly suggested awarding a Department contract to FEA. He said that, if Labor construed his actions as representing pressure to execute a contract with FEA, it was the Department's error since at no time did he intercede on behalf of FEA.

OEO grant

Mr. Evans denied any knowledge or involvement in the award of the OEO grant to FEA. He did acknowledge that he had complained to the Deputy Director of OEO about the lack of OEO assistance for programs for Spanish-speaking elderly. He said that he had received an inquiry from a U.S. Senator concerning the lack of assistance programs for the Spanish-speaking elderly.

Mr. Evans said that the OEO Deputy Director called to advise him that a grant had been made to FEA for a program to aid the Spanish-speaking elderly. He said he told the OEO official that he was pleased since it was, in his view, something that would help the elderly and would also satisfy the inquiry from the Senator. He denied having anything to do with the approval.

CHAPTER 5PROGRAM ACTIVITIES AND RESULTSACTIVITIES AND RESULTS UNDER THE OEO GRANT

On November 1, 1972, OEO awarded FEA a grant for \$399,839 aimed at developing in depth demographic data on the characteristics and needs of the elderly poor. One objective was to identify special groups among the elderly poor who may have distinctive problems which are not being met by existing Federal programs and to suggest ways of dealing effectively with those problems.

A project goal was to determine whether the Spanish-speaking elderly poor are among those special groups not benefiting from Federal assistance programs. There was to be a followup demonstration phase for the establishment of prototype resource centers. The centers were to be located in communities whose populations were predominantly of Mexican-American, Puerto Rican, and Cuban ethnic backgrounds.

Once underway, the resource centers would be furnished information on all federally sponsored programs to help the elderly poor. The information was to be assembled and disseminated by the grantee through a national information center established in Washington, D.C.

We did not review FEA's activities under the grant since OEO was conducting program reviews at FEA headquarters and the three resource centers and a financial review at the subcontractor's HRC offices in California. The OEO report on program activities was not available at the time we concluded our fieldwork. A November 20, 1973, interim report on the review of HRC's financial activities states that costs of about \$37,000 had been questioned.

ACTIVITIES AND RESULTS
UNDER THE LABOR CONTRACT

Labor's \$1 million contract with FEA was for the management and coordination of a program to provide work opportunities for elderly disadvantaged workers in California and Florida. The contract was extended and increased by \$540,000. Enrollees were employed in the San Francisco-Oakland area and in the greater Tallahassee area. FEA is

responsible for overall management and coordination of the program. To administer the programs provided by the contract, FEA subcontracted in July 1972, with two groups, Retirement Jobs, Incorporated (RJI) in San Jose and Florida State University, Tallahassee. By July 1973 FEA had terminated its subcontractors choosing instead to have the program administered by its project-type organization, Jobs for Older Americans (JOA).

As discussed below, the Florida project seems to have been managed properly but it did not meet its placement goals. The San Francisco operation was generally accomplishing its program objectives although recordkeeping and internal controls needed improvement. The Oakland operation was not effective in achieving its primary objective of training and placing disadvantaged elderly persons in unsubsidized jobs, in that many of the enrollees claimed as unsubsidized placements by the Oakland office had actually been working for the same employer or industry before, during, and after their enrollment.

FEA's Florida activities

The Florida project began operation in July 17, 1972. Under this segment of the contract, the university was responsible for locating work opportunities for 100 enrollees. In addition, the project was to provide guidance and counseling to new enrollees, train or orient individuals requiring those functions, provide liaison between the worksite agency and the enrollee, and to place no less than 75 percent of the project's enrollees into unsubsidized jobs.

Although the university's involvement with the project terminated on June 30, 1973, JOA continued to operate the project. Through September 16, 1973, 197 persons have been enrolled in the Florida project. Of these, 33 were placed in unsubsidized jobs, 63 were terminated from the program, and 101 were working in subsidized jobs. The project also placed 12 individuals who were not enrolled in the program directly into unsubsidized work.

We found no major problems in the management of the JOA Florida activity. We noted some minor deficiencies--problems in enrollment procedures, enrollee counseling, and paycheck handling procedures--which we brought to the project

director's attention. He concurred and agreed to take corrective actions which we believe, would be adequate to prevent the reoccurrence of the types of deficiencies noted.

FEA's California activities

The California project began operation in July 1972. Under this segment of the contract, RJI was initially responsible for locating work opportunities for 250 enrollees. This was to be accomplished partially with staff from RJI's five existing offices in northern California and from three new offices which were to be opened within 90 days of the contract award. RJI was also to assume responsibility for finding permanent positions for 75 percent of the enrollees.

In September 1972 FEA notified RJI that all management responsibility for the JOA program was to be transferred to Masato Inaba (a consultant who was to later become a principal in HRC) and Beatrice Gartz, who was to become FEA's California State Project Director. The president of FEA had previously informed RJI that he seriously doubted whether RJI could place 250 people in jobs during the entire performance period of the contract.

By October 10, 1972, the transfer was complete. Shortly thereafter FEA's president informed RJI that it had no further responsibility or obligation for the program.

The California JOA segment consisted of a San Francisco office and an Oakland office. Ms. Gartz, the State Project Director, was also in charge of the San Francisco office. Her staff consisted of five enrollees working about 4 hours a day. The Oakland office operated, for the most part, independently. It was staffed by a manager and two job counselors--one for Chinese-speaking enrollees and one for non-Chinese-speaking enrollees.

JOA records indicate that 648 individuals were enrolled in the California project through September 20, 1973.

Oakland activities

The Oakland office, which began operation in February 1973, was located at the headquarters of the Oakland Chinese Association and the Oakland project manager, Dr. Chook, was also the executive secretary of the association.

Dr. Chook told us that he had developed and negotiated a program with local employers to provide job training to Oakland office enrollees at Government expense. Under the agreement, employers were to provide training for about 4 weeks and would then hire the enrollee. The training program, according to Dr. Chook, was conducted at the employer's place of business.

Dr. Chook stated that he determined when an enrollee was to move from subsidized to unsubsidized employment. Dr. Chook said he evaluated the enrollees' ability to produce an acceptable product in making his decision rather than adhering to a rigid 4-week schedule. Dr. Chook said he believed employers did not gain any advantages by hiring enrollees, primarily because JOA determined when an enrollee was ready for transition and also because employers were donating the use of equipment and supervisors' time during the training period. Dr. Chook told us that without the JOA program employers would not have hired these elderly Chinese-speaking individuals.

Dr. Chook said that, under the program, enrollees were paid stipends by FEA while learning the job and understood that the employer would hire them as a regular employee at the end of the training period.

When we advised Dr. Chook we intended to interview enrollees, employers, and former enrollees placed in unsubsidized employment, Dr. Chook requested we not go to employers' premises because employers were afraid of "Federal people" and would probably fire the employees we inquired about. We agreed not to talk to enrollees, employers, or former enrollees at the outset, since we could get the required information through State records. Data obtained from the State pointed out possible problems in eligibility of enrollees and validity of placements. We ultimately visited employers and former enrollees at the worksites.

Of the 297 California enrollees placed into unsubsidized jobs from July 20, 1972, to September 20, 1973, 236 had been placed since February 1973 through the efforts of the FEA Oakland project manager. We randomly sampled 79 of the 297 reported placements and examined individual wage earning

records available from the State.¹ Oakland reported placing 59 of the 79, and San Francisco reported placing the remaining 20. The earnings data for the 79 placements for the 5-quarter period ending March 31, 1973, showed that almost three quarters of the individuals claimed as unsubsidized placements by the Oakland project had recent work histories; some had earned amounts above the poverty level income criteria used by the Manpower Administration in determining eligibility. Data for the 59 Oakland placements is shown below.

	<u>Number</u>	<u>Percent</u>
Number of enrollees claimed as placements whose eligibility was questionable:	43	73
Enrollees placed in the same industry in which they had worked within the past year	-17	-29
Enrollees claimed as placements who had, based on employee wage earning records, worked steadily within the same company or industry as placed	-26	-44
Enrollees who were eligible based on employee wage earning records	<u>16</u>	<u>27</u>
Total	<u>59</u>	<u>100</u>

Program objectives not conveyed to enrollees or employers

In our attempts to ascertain why such a large number of Oakland enrollees appeared ineligible, we learned that individuals were attracted to the Oakland office through leaflets distributed by JOA personnel within the Chinese community. The leaflets indicated that both unemployed and employed individuals were eligible to participate.

¹California requires employers to report quarterly on employee earnings. It does this to be able to determine the amount an individual applying for unemployment compensation is entitled to receive.

Oakland applicants were interviewed twice before being accepted into the program--first when they applied at the FEA Office in Oakland and then by a representative of the California State Department of Human Resources Development (DHRD)¹ office in Oakland.

At the two interviewing processes, applicants provided all information asked of them, including whether they were currently employed. The interviewers were not aware of the actual criteria for enrollment. DHRD officials at the Oakland office told us that they were not aware that FEA was operating the program as part of Operation Mainstream. Also, they said they understood that they were merely filling job orders from the Oakland project manager requiring Chinese-speaking people who were at least 55 years old.

Neither the enrollees nor their employers had been made aware of the program's objectives. We contacted 9 of 37 employers listed by the Oakland project manager as worksite employers. Eight maintained they were never contacted about training elderly persons to develop sufficient skills for regular employment. The ninth employer said she was visited by two women who discussed the program but that her firm was never a participant. All nine said they did not know the Oakland project manager or his assistants nor had they been contacted about work programs for their firms' elderly workers.

We reviewed worksite employers' records for 18 former enrollees claimed as unsubsidized placements. Sixteen of these 18 individuals were paid by the employers for periods before, during, and after their enrollment in the program, in addition to receiving about \$140 each in stipends from JOA for 4 weeks of subsidized employment.

We interviewed 12 of the 59 Oakland enrollees selected in our sample. The enrollees interviewed generally stated they were unaware of the program's purpose and that friends had encouraged them to apply for the program; one told us that she was told by a man from the Chinese Association to

¹The California component of the Federal/State employment security program. One of DHRD's primary functions is to accept job orders from employers and try to fill the orders with individuals who had filed applications with DHRD.

sign up for "free money." Following is a summary of the interviews with former enrollees:

--10 said they had learned of the program from friends.

--9 said they were told that to qualify for the program they had to be at least 55 and 6 said they were told they had to be employed.

--11 stated they were employed at the company listed as the training worksite at the time of their alleged enrollment.

The Oakland project director said he was unable to spend time checking each applicant's eligibility and was forced to rely on enrollees to do the screening. He also stated he had never contacted any businesses where enrollees were supposedly trained and placed, but he said he had contacted supervisors. However, as pointed out earlier, employers we contacted were not aware of the program.

Work experience project not
limited to public and/or private
nonprofit institutions

According to the special provisions of the contract, programs established under the contract were to be limited to enrollees working in public and/or private nonprofit institutions. Almost all the enrollees participating in the Oakland segment were placed in private for-profit concerns, primarily in the garment industry.

During our review, the California State Department of Industrial Relations investigated the garment manufacturers in the San Francisco Bay area for compliance with wage laws. The investigation included four employers FEA listed as participating in the program. State investigators found three of the employers violating State labor laws in the area of working conditions, overtime payments, and time card preparation.

We discussed our findings with the Oakland project manager who initially accepted them and agreed with our conclusions. Subsequently he took exception to the manner in which we described his involvement in the Oakland project.

By letter dated January 4, 1974, we provided him with a summary of our understanding of his involvement and activity and asked for any clarification he might wish to offer. As of March 30, 1974, he had not responded.

San Francisco operation

Although program goals in San Francisco were generally being accomplished in terms of assisting the elderly poor, the recordkeeping activities and internal control procedures needed improvement. The following problems existed.

- No documentation to support about \$60,000 of in-kind contributions and certain expenditures.
- Time cards were not properly prepared for 32 (40 percent) of 79 sampled enrollees who received pay checks on September 20, 1973. For the most part worksite supervisors had signed time cards for enrollees and some time cards had not been signed by either the supervisor or the enrollee.
- 33 (42 percent) of the 79 had no record of DHRD eligibility certification on file at the JOA San Francisco office.

When the eligibility certification problem was brought to the attention of the California project director, she visited two local DHRD offices involved in screening applicants and obtained written statements verifying the eligibility of some of the sampled enrollees. She also sent five other enrollees to DHRD offices to obtain certification cards, which they did. These actions reduced the number of individuals not having a DHRD eligibility certification to 21 (27 percent). We were unable to arrive at a reliable estimate of the number of ineligible enrollees in our sample or in the California program.

An indication of the possible magnitude of the problem of enrollee ineligibility based on income can be obtained from the results of a Labor-instituted study of family income data for all active Operation Mainstream enrollees. Labor directed all Operation Mainstream contractors to rescreen family income data for all active enrollees. FEA's final report on its California project showed that about

20 percent of the enrollees had income sufficiently exceeding the maximum to require termination from the program.

JOA reported that from July 20, 1972, to September 20, 1973, 61 enrollees had been placed in unsubsidized jobs through the efforts of the San Francisco office. We selected a random sample of 20 enrollees claimed as placements by the San Francisco office and found that 2 enrollees had been placed in the same industry in which they had worked within the past year. The two cases were brought to the attention of the California project director who stated that the enrollees in question had been recalled to work by firms that had laid them off earlier in the year. As a result, all 20 appeared to be eligible based on a check of earnings records.

The various deficiencies were pointed out to the project's director and she subsequently advised us of actions being taken to overcome the problems, which included hiring a bookkeeper.

CHAPTER 6FINANCIAL ACTIVITIES

The Committees asked that we review FEA's financial activities under the Labor contract and the OEO grant. We reviewed transactions covering the period from the inception of the contract and grant through June 30, 1973.

RESULTS OF REVIEW

FEA maintained a double-entry accounting system to record receipt and expenditure of Federal funds; however, the manner in which these records were maintained and the lack of appropriate checks and balances rendered the accounting system and related internal controls inadequate. Appropriate controls had not been established to encourage compliance with prescribed Labor and OEO requirements and to insure that grant and contract funds were used only for authorized purposes or to check the accuracy or reliability of accounting records.

When reviewing financial activities, we questioned expenditures of about \$184,000 under the contract and about \$30,000 under the grant. Labor and OEO will make final disposition of these questioned expenditures. On February 19, 1974, Labor began an audit of FEA transactions from July 1, 1973, to the end of the contract period. It will also audit FEA transactions under the OEO grant from July 1, 1973, to the end of the grant period.

No separation of duties to insure proper internal control

The duties and responsibilities for receiving cash and check disbursements were not divided among employees to insure proper internal control.

The president received all moneys for the corporation and also deposited the funds and directed his accountant as to recording the receipts in the accounting records. Either the president or his secretary prepared and signed all checks without requiring a counter signature by another officer of the corporation.

Adjustments recorded without explanation

FEA's accounting records contain numerous adjusting entries made at various times during the year to reclassify transactions which were apparently incorrectly recorded. However, the adjustments were not explained to permit a determination of the propriety and allowability of such costs.

Inadequate travel procedures

FEA employees traveled outside the program area without prior Labor and OEO authorization. Employees did not document the purpose of the trip and did not report on the business conducted. Travelers were reimbursed on an actual expense basis rather than in accordance with the per diem limitations of the Standard Government Travel Regulations as required by the grant and contract. We questioned about \$23,700 in travel expenses because of a lack of documentation to support the travel or because the travel was unauthorized or the cost claimed exceeded the maximum allowed.

For example, FEA paid \$1,313 to a travel agency for four air fares for FEA personnel to Las Vegas to attend conference meetings, however, there was no documentation present that the trip was connected with contract or grant business.

The president of FEA and his wife traveled to Hawaii in April 1973 and submitted expense reports totaling \$1,325 although no contract or grant activity was being conducted there. He did not prepare a report on the business he conducted, when we questioned him about the trip, he advised us that he went to Hawaii to observe a day care center for the elderly and that his wife provided secretarial service and accepted transportation in lieu of salary.

Allowability of staff salaries and
use of leave could not be verified

OEO instructions provide that no employee shall, without OEO approval, be hired at a rate of compensation which exceeds, by more than 20 percent, the salary he was receiving in his immediately preceding employment. Salary increases of more than 20 percent, or \$2,500, whichever is smaller, within a single 12 month period must be approved by OEO. Since FEA did not maintain individual personnel files or other records indicating earnings prior to employment under the Federal programs, we could not verify if amounts paid to employees were within OEO guidelines.

We did note, however, that FEA employed one individual as a director of Federal Aging Programs at a starting salary of \$7,200 at January 2, 1973 and that by June 1973 FEA had raised her salary by 56.5 percent to \$11,267, without OEO approval.

We also could not ascertain the accrued annual and sick leave balances for staff employees because FEA did not maintain these records.

Inadequate procurement practices

A large number of equipment and supply purchases under the contract were made through private suppliers without first obtaining written permission from the contracting officer. Under Labor's general provisions for cost-reimbursement-type contracts, contractors are to use the procurement sources available through the General Services Administration to the extent possible prior to considering private source procurement, unless otherwise authorized in writing. FEA paid \$5,063 from contract funds for equipment and supplies, of which \$3,809 were purchases made through private suppliers.

Unauthorized charges to Labor and OEO funds for personal insurance and medical bills

From Labor and OEO funds FEA paid \$15,000 for life and disability insurance for FEA's president and his wife and paid \$1,670 for medical bills for FEA's president and his family. The beneficiary of the president's \$300,000 whole life and \$40,000 term policy was his wife. The first beneficiary of the wife's \$100,000 whole life policy, according to letters from an official of the insurance company, was FEA or the U.S. Treasury for premiums paid. The FEA president and his two sons were the beneficiaries for remaining death benefit proceeds.

Our review also showed that the insurance company refunded \$270 of the premiums paid for life and disability insurance discussed above which was not redeposited.

Rental of an apartment as additional office space

FEA paid \$281 out of OEO grant funds in May 1973 for 1 month's rent for an apartment in Washington, D.C., and classified the expenditure as rental expense for additional

office space. We were informed that the apartment was used by visitors and employees of FEA. We visited the apartment and found it to be an efficiency-type (1 room and bath) containing two day beds, a table, four chairs, and chest of drawers. At the time of our visit in August, the apartment was still being rented by FEA, but rent payments were 2 months in arrears. The rent payments were ultimately made after the end of the period covered by our review.

Grant and contract funds used
for wrong purposes

In several instances FEA used contract funds to pay for grant expenditures and grant funds to pay for contract expenditures.

For example:

- FEA paid \$2,045.50 from Labor funds for staff salaries, accounting fees, and travel under the OEO grant.
- FEA paid \$1,800 from Labor funds for consulting services relating to the OEO grant proposal.
- FEA paid \$1,500 out of OEO funds for legal fees in defense of a suit brought by a subcontractor under the Labor contract.¹

FEA also paid \$4,722 from Labor funds for an automobile purchased by FEA's president for his personal use. He reimbursed the Department account the next day.

SUMMARY OF QUESTIONED EXPENDITURES
UNDER LABOR'S CONTRACT AND OEO'S GRANT

We reviewed FEA's expenditures under the Labor contract for the year ended June 30, 1973, and under the OEO grant for the 8 months ended June 30, 1973. Summarized in the following schedules are the expenditures incurred under Labor's contract and OEO's grant for the periods. The

¹FEA was involved in a law suit with its initial subcontractor RJI over termination of RJI's subcontract.

schedules also contain those costs which we believe were inadequately supported or which either were not supported or not properly authorized. Labor and OEO will make the final disposition as to the allowability of the various questioned expenditures.

Labor Contract
Expenditures questioned relating
to Transactions Between June 30, 1972 and June 30, 1973

<u>Account</u>	<u>Budgeted</u>	<u>Actual</u>	<u>Total ques- tioned</u>	<u>In- adequate support</u>	<u>No support</u>	<u>Unauthor- ized</u>
Enrollee wages	\$700,000	\$635,597	\$ 5,655	\$ -	\$ 5,655	\$ -
Enrollee fringe benefits	85,000	62,078	b61,175	-	61,175	-
Other enrollee costs	14,386	13,456	13,456	-	5,220	8,236
Staff salaries	83,279	86,874	36,689	-	31,031	5,658
Staff fringe benefits	10,793	13,096	7,433	-	1,806	5,627
Consultants	26,200	23,249	22,669	10,975	8,894	2,800
Accounting	2,720	2,847	1,681	-	1,383	298
Rent	12,682	13,044	7,139	-	7,139	-
Telephone	5,600	5,876	2,893	-	1,860	1,033
Office supplies	2,717	1,550	a2,383	-	2,353	30
Travel	17,870	17,308	16,097	-	16,097	-
Reproduction	920	677	677	-	677	-
Equipment	3,272	3,513	2,027	-	2,027	-
Postage	1,200	1,095	626	-	626	-
Insurance	2,003	1,985	1,108	-	319	789
Florida State University overhead	2,544	1,302	1,302	-	1,302	-
Bank charges	34	-	-	-	-	-
Miscellaneous	-	815	715	76	639	-
Total expenditures	\$971,220	\$884,362	\$183,725	\$11,051	\$148,203	\$24,471

^aExcess of questioned over actual expenditures represents account adjustments which were not identifiable.

^bThis item questioned because the CPA firm handling FEA's accounts had not provided requested data at the time this statement was prepared.

OEO Grant
Expenditures questioned relating
to Transactions Between November 1, 1972 and June 30, 1973

<u>Account</u>	<u>Budgeted</u>	<u>Actual</u>	<u>Total ques-tioned</u>	<u>In-adequate support</u>	<u>No support</u>	<u>Unauthor-ized</u>
Salary and wages	\$127,875	\$ 75,545	\$ 1,586	\$ -	\$ -	\$ 1,586
Temporary assistance	-	3,555	-	-	-	-
Fringe benefits	19,182	15,550	9,501	-	-	9,501
Consultants	32,000	18,823	6,150	3,150	1,275	1,275
Travel	44,788	23,327	7,593	-	-	7,593
Rent	4,200	2,681	281	-	-	281
Other direct costs	77,444	15,000	-	-	-	-
<u>Overhead</u>						
HRC staff salaries	-	42,547	-	-	-	-
HRC fixed fee	-	8,958	-	-	-	-
FEA advertising	-	18	-	-	-	-
FEA promotion	-	1,629	1,603	-	-	1,603
FEA telephone	-	1,109	-	-	-	-
FEA conference lunchees and meetings	-	108	108	-	-	108
FEA equipment	-	2,197	707	-	-	707
FEA accounting	-	917	918	-	-	918
FEA dues and subscriptions	-	446	264	-	-	264
FEA insurance	-	190	190	-	-	190
HRC miscellaneous costs	-	1,847	-	-	-	-
FEA miscellaneous costs	-	402	377	-	7	370
FEA supplies	-	1,732	942	-	16	926
Total overhead	94,350	62,100	5,109	-	23	5,086
Total expenditures	\$199,839	\$216,581	\$30,220	\$3,150	\$1,298	\$25,772

CHAPTER 7SCOPE OF REVIEW

We began our review under the initial request in March 1973 and the review under the second request in June 1973 with fieldwork substantially completed by November 30, 1973.

Our work was done at FEA headquarters offices; the Department of Labor; and OEO, Washington, D.C.; the offices of Florida State University; Human Resources Corporation in San Francisco; and FEA's JOA in San Francisco and Tallahassee. We examined policies and procedures of the Federal agencies and FEA, contract and grant provisions, income and expenditures from inception of the contract (June 30, 1972) and the grant (November 1, 1972) through the end of fiscal year 1973, and the system of accounting and related internal controls. We visited FEA, JOA, and HRC offices, selected enrollees' worksites, and a prototype resources center.

We also examined certain facets of the operations of the Florida State University and the Human Resources Corporation. These organizations were affiliated with FEA as subcontractors to carry out activities under the contract and the grant.

We made random statistical samples of current enrollees and those that were reported placed into unsubsidized employment by the JOA California programs. As of September 20, 1973, there were 237 active enrollees in the JOA California project. We selected a random sample of 79 enrollees to determine individual eligibility for the program. To determine individual eligibility and placement of enrollees terminated from the program after being placed into unsubsidized employment, we randomly selected 79 of the 297 individuals reported by JOA as being placed into unsubsidized employment as of September 20, 1973.

We interviewed employers, enrollees, and former enrollees who had participated in the JOA California project. We observed the enrollee pay check distribution process used by the California and Florida JOA projects.

APPENDIX I

FRANK CHURCH, IDAHO, CHAIRMAN
 HARRISON A. WILLIAMS, JR., N.J.
 ALAN BINE, NEV.
 JENNINGS RANDOLPH, W. VA.
 EDMUND S. MURKIN, MAINE
 PHILIP B. KENNEDY, UTAH
 EDWARD M. KENNEDY, MASS.
 WALTER F. MONDALE, MINN.
 VANCE HARTKE, IND.
 CLAUDIO B. RODRIGUEZ, L.I.
 THOMAS F. EAGLETON, MO.
 JOHN V. TUNNEY, CALIF.
 LAWTON CHILES, FLA.

WILLIAM E. ORIOL, STAFF DIRECTOR
 JOHN GUY MILLER, MINORITY STAFF DIRECTOR

United States Senate

SPECIAL COMMITTEE ON AGING

(PURSUANT TO S. RES. 51, 90 CONGRESS)

WASHINGTON, D.C. 20510

March 5, 1973

Honorable Elmer B. Staats
 Comptroller General
 of the United States
 General Accounting Office
 441 G Street, Northwest
 Washington, D. C. 20548

Dear Mr. Staats:

Enclosed are copies of letters sent by us to the Department of Labor in regard to a contract awarded to the Federation of Experienced Americans.

We have not received a reply to either letter.

We would like, therefore, to request the Government Accounting Office to make inquiries into the issues raised in that report.

May we ask, therefore, that you ask the appropriate person at GAO to get in touch with William Oriol of the Committee on Aging staff and James Murphy of the Subcommittee staff to discuss objectives and methods for such a study?

Sincerely,

Frank Church
 Chairman
 U.S. Senate Special
 Committee on Aging

Thomas F. Eagleton
 Chairman, Subcommittee on
 Aging, Committee on Labor
 and Public Welfare

Enclosures

APPENDIX II

FRANK CHURCH, IDAHO, CHAIRMAN

HARRISON A. WILLIAMS, JR., N.J.

ALAN BINE, N.Y.

JENNINGS RANDOLPH, W. VA.

EDWARD M. GIBBS, MAINE

FRANK E. MOSE, UTAH

EDWARD M. KENNEDY, MASS.

WALTER F. MONDALE, MINN.

VANCE MCRAE, IND.

CLAUDETTE BROWN, R.I.

THOMAS F. EAGLETON, MO.

JOHN V. TURNER, CALIF.

LAWTON CHILES, FLA.

NIKHAM L. PONO, HAWAII

CLIFFORD P. HANSEN, WYO.

EDWARD J. GURNEY, FLA.

WILLIAM C. SAXBE, OHIO

JOSEPH W. DODD, CONN.

CHARLES H. PENCY, ILL.

ROBERT T. STAFFORD, V.T.

J. GLENN BEALL, JR., MD.

PETE V. DOMENICI, N.MEX.

WILLIAM E. ORIOL, STAFF DIRECTOR

DAVIS A. APPLEY, CHIEF COUNSEL

JOHNSON MILLER, MINORITY STAFF DIRECTOR

United States Senate

SPECIAL COMMITTEE ON AGING

(PURSUANT TO S. RES. 11, 90th CONGRESS)

WASHINGTON, D.C. 20510

June 29, 1973

Honorable Elmer B. Staats
Comptroller General
of the United States
General Accounting Office
441 G Street, Northwest
Washington, D.C. 20548

Dear Mr. Staats:

On March 5, we requested that the General Accounting Office make inquiries with regard to certain federal contract and grant awards to the Federation of Experienced Americans. At this time we would ask that the scope of the investigation be expanded to include a full financial audit of the Federation of Experienced Americans.

The objective of the investigation, in addition to the audit of financial transactions of FEA, would be to determine the basis upon which the contract and grant awards were made and the identification and activities of persons involved.

We appreciate the attention which you and the staff have given this matter.

Sincerely,

Frank Church
Chairman
U.S. Senate Special
Committee on Aging

Thomas F. Eagleton
Chairman, Subcommittee
on Aging, Committee on
Labor and Public Welfare

EVANS EXHIBIT NO. 4

OFFICE OF ECONOMIC

EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON, D.C. 20500

Date: November 17, 1972

Reply to:
Attn. of:

Subject: CEO GRANT NO. 20064 TO THE FEDERATION OF EXPERIENCED AMERICANS

To: THE RECORD

All of the circumstances surrounding the processing and awarding of the above grant have been so irregular that I am taking this means to record and document some of those circumstances to protect myself and perhaps some other people within the agency in the event of possible future embarrassing disclosures.

I was informed by a staff member of the Office of Program Review in the early part of September that:

- 1) The agency had been ordered by a junior White House Staff member to fund a proposal from the Federation of Experienced Americans (an outfit of which I had never heard despite my intimate familiarity with all recognized national organizations in the aging field) to conduct a major project concerned with elderly Spanish-Speaking people.
- 2) That the same White House Staff member had instructed OEO to limit its forthcoming contract extension (effective September 24) with the National Council on the Aging to a six-month period after which we would be expected to award a grant or contract to the Federation of Experienced Americans to provide the full range of professional training and technical assistance for our aging programs that have been provided by NCOA over a period of years.

Two or three days before I was scheduled to leave for a vacation in Europe on September 20, I was given a copy of the Spanish-speaking proposal and instructed to comment frankly on it and to propose constructive changes that would improve the work program and make the proposal more professionally credible.

I was shocked at the weaknesses of the proposal and wrote a devastating critique, dated September 16, of which I gave a copy to our OPR contact person. I did, as required, include some basic suggestions for strengthening the proposal. A few other program people in the agency were given the same assignment and, I understand, all prepared negative responses.

At some point during my three-week absence on vacation a small meeting was held including the program people who had read the proposal (including John Hutchison) and David Brody, the President of M.I.T. The consensus to which Brody apparently agreed was that the scope of the proposal should be reduced and that no more than a planning grant should be considered initially.

P-11
Late on the afternoon of October 30 I was given a copy of a letter from Brody dated October 20 which contained some modifications of the work plan and a loosely constructed budget amounting to a few dollars under \$400,000. I was told the grant must be completely processed and signed by the end of the following day, October 31. I was instructed to serve as the project manager for the grant and in that capacity to sign as its originator and to prepare in draft all of the necessary technical grant papers with the help of a technician in the Grants Processing Branch. I was informed that the work program and budget were to be accepted as presented with no further opportunity for negotiating work or budget provisions.

At a small briefing session on the morning of October 31, conducted in an atmosphere of conspiracy and attended by Brody, we were told that the normal agency requirement for Review Board approval had been waived, that normal approval of the Mayor of Washington and certain governors would be handled informally and perhaps by telephone and that standard procedures for announcing the grant were to be by-passed at least for the time being.

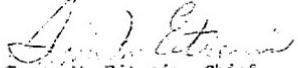
I hastily filled in pencil draft the technical grant forms and prepared a draft highlight memorandum. Meanwhile John Hutchison worked on a set of special conditions which we agreed would give the agency some normal degree of control over the conduct of the work program. I was told that the special conditions were considered to be too harsh and perhaps illegal. They were considerably revised without my seeing them until the grant was announced on October 1st and I was given a copy of the completed grant package. All of the other grant papers were typed on October 31 by a secretary of Mr. Brody's who came over to OEO for that purpose.

In summary, I have the following reservations about this grant:

- 1) I consider the grantees to be totally unqualified to do the job,
- 2) I think the grant can produce nothing that is not already well researched and tested. It is a weak, poorly defined plan and quite inappropriate for the use of O.E.O. funds.
- 3) The budget of \$399,839 is grossly excessive. A planning grant of this nature should not exceed \$75,000 to \$90,000.

- 3 -

- 4) The urgency and secrecy with which the grant was pushed through were highly irregular. Never in my long experience in the Federal Government have I experienced anything approaching the impropriety of this grant transaction.
- 5) I curse that I have been "used" as a professional program specialist and titular head of OEO's Older Persons Programs and as a veteran civil servant to give this grant some semblance of legitimacy and suspect that my professional reputation may be damaged as a result.
- 6) I am appalled by the remaining possibility that we may have to award a grant or contract to FEA for the highly complex and sophisticated professional T & TA services needed by our aging program grantees. FEA does not have and cannot within a period of several years if ever acquire an acceptable degree of competence to perform these functions. I am convinced this course would be utterly destructive to our aging programs. An award to FEA for this purpose would offend the entire aging constituency in the country, knowledgeable members of both parties in the Congress and our own CAA's and SCS programs. No service at all would be preferable to a contract with FEA both from the programmatic and political standpoints.



Irven M. Eitreim

Irven M. Eitreim, Chief
Older Persons Programs
Office of Operations

EVANS EXHIBIT NO. 5



L4

120 WEST SAGINAW, EAST LANSING, MICHIGAN 48823
TELEPHONE 337-1725 / AREA CODE 517

October 3, 1972

David W. Brody, President
Federation of Experienced Americans
1625 K Street, Northwest
Washington, D.C. 20006

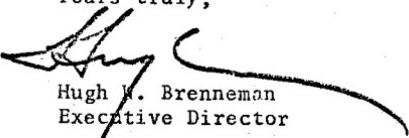
Dear Dave:

Enclosed is a budget which I think will permit us to prepare and distribute 401 radio programs as per the attached schedule.

Because of the time element we are proceeding on the basis of the budget so if you disapprove in any respect please call me instantly if not sooner! Also you are receiving either with this mail or separately a copy of the scripts being used.

As soon as we have the first complete set of dubs made, we will send a couple copies to you and one to Bud. I have only scheduled 390 which will give us an extra seven for any special stations who request use of the program.

Yours truly,


Hugh W. Brenneman
Executive Director

HB:ph

Enclosures

P.S. I've asked my secretary, Miss Hart, to enclose a memo requesting the stationery needed.

**Budget for Preparation and Distribution
of FEA Radio Tapes**

Studio program recording (5)	175.00	175.00
Editing and mixing (5)	190.00	190.00
Recording announcement for open and close	50.00	50.00
Master dubber	50.00	50.00
401 - 7 inch duplicate with reel and box (\$6.80 each)	2,720.00	2,720.00
Packing, inserting and labeling - typing label for reel - preparation for shipping	74.60	74.60
Mailing sleeves	45.00	45.00
First class mail (\$1.22 per box)	488.00	488.00
Duplicate and mail introduction letters to 401 stations	100.00	100.00
Prepare envelopes and labels for introduction letter and mailing sleeve	60.00	60.00
Duplicate mimeographed insert	10.00	10.00
Talent for program (other than Burl Ives)	225.00	225.00
Secretarial services, travel, phone, and misc.	<u>300.00</u>	<u>300.00</u>
TOTAL EXPENSES	<u>4,487.60</u>	

1. All services of Mr. Hugh Brenneman involved in the writing and editing of scripts and all letters, production, arrangements, etc., etc. are donated to the Federation of Experienced Americans.
2. All bills will be submitted for approval to Mr. Brenneman and forwarded to F.E.A. Payment is to be made directly to providers of service.

Schedule of Radio Stations

<u>State</u>	<u>Number to be Used</u>
California	45
Connecticut	10
Florida	30
Illinois	30
Indiana	30
Michigan	25
Missouri	20
New Jersey	10
New York	30
Ohio	30
Oregon	15
Pennsylvania	35
Texas	45
Washington	15
Wisconsin	<u>20</u>
TOTAL RADIO STATIONS	<u>390</u>

EVANS EXHIBIT NO. 6

CONFIDENTIAL

PROPOSED COMMUNICATIONS SUPPORT PROGRAM
FOR THE OLDER AMERICANS DIVISION
COMMITTEE FOR THE RE-ELECTION OF THE PRESIDENT

April 14, 1972

CONFIDENTIAL

I. INTRODUCTION

The Older Americans Division of the Committee for the Re-election of the President has not received much publicity to date. This is a voter bloc that should not be ignored for publicity value, but should be promoted.

There are almost 30,000,000 eligible older American voters. Of those, 86 percent are registered and they comprise 24 percent of the total electorate.

In both of the President's previous campaigns for the Presidency, this voter group supported him indicating that this is a "friendly" division. Here, also, is a wealth of talent and manpower as most of these senior citizens are retired and have a great deal of spare time.

Just as the Youth Division is separate and distinct within the general campaign structure, the aging division should be treated in a like manner. Angela Harris will serve as project manager and will co-ordinate her efforts in behalf of the elderly with the general public relations plan to insure against conflicts of time and emphasis. Included in this plan are many ~~marked~~ areas in which publicity efforts may be directed.

The communications office will be able to service this program through utilizing the inhouse audio operation, the news bureau including writers, the photographers, the publications family, mailing apparatus, and through contact with the state committee's press and public relations directors.

Because of the complexity of this voter bloc, efforts will generally be directed toward two distinct groups of older Americans.

- o The 24,000,000 senior citizens who respond to issues concerning the problems of the elderly, but do not belong to senior citizens organizations, and
- o Those belonging to membership organizations. One fifth of all older Americans do belong to these organizations. The three largest groups are relatively young, and none has been in existence for over fifteen years. Every organization has newsletters, and three of the four publish monthly newsletters magazines.

This is a publicity apparatus that reaches almost six million persons directly.

and has an indirect effect on the outlook of the other 24 million -- this is almost two million more than Time Magazine. The four major organizations are:

- The American Association of Retired Persons

It has a membership of three million dues-paying members. AARP is basically middle class, middle road (in comparison to their more liberal rival, National Council of Senior Citizens), and is extremely prosperous due to a health insurance and cutrate drug service offered their members. AARP is friendly to the Nixon cause. They are now distributing a film of the President's visit to Chicago to all of their chapters. Last year their membership increased by 780,000. Their publications are:

a. Modern Maturity

a bimonthly magazine to all three million members.

b. AARP News Bulletin

a monthly bulletin reaching three million people

c. Dynamic Maturity

a bimonthly magazine directed to employees approaching retirement in 700 companies. Circulation is 25,000

d. Better Retirement Guides

these are available on request and deal with consumer-oriented issues (food, housing) and retirement life.

- The National Retired Teachers Association

This is an affiliate of AARP. They have a ~~NXXXXXX~~ membership list of 290,000. Their publications are:

a. NRTA Journal

a bimonthly magazine reaching all members

b. NRTA News Bulletin

monthly newsletter reaching all members

-The National Council of Senior Citizens

This group claims three million members through their 3,000 affiliated clubs. NCSC is more issue-oriented, much more political, and not as financially powerful as AARP. They are presently hostile to the Administration, but not considered a lost cause. They are an off-shoot of the old Medicare lobby force and their first commitment is to the aging issue, not politics. We have strong support in the individual clubs at the grass roots level. They have one publication.

Senior Citizen News

reaches all dues-paying members and is sent for distribution to all affiliated clubs. It is generally a six to eight page newspaper which "roasts" us regularly in a professional and persuasive manner.

They do not release the number of names on their mailing list.

- The National Association of Retired Federal Employees

To RN

This organization has 148,000 members and is well known on the Hill.

Their publications include:

a. Retirement Monthly

a monthly magazine reaching all NAARFE members.

b. Newsletters

four or five yearly to all members depending on congressional legislation.

II. OBJECTIVES

The objectives of the Older American campaign plan are:

- o Establish a strong, positive attitude on the part of older Americans in their reaction to Presidential initiatives;
- o demonstrate the President's concern for the elderly;
- o create the feeling that the President "cares" for them;
- o and motivate the elderly to vote for the President.

The press and public relations objectives will support the above mentioned older Americans campaign objectives through newspaper releases and features, magazine feature stories, syndicated columns, television, radio, senior citizens organizations publications, and speakers programs.

Through these devices we will:

- o publicize what the Nixon Administration has done for the elderly of this country specifically and communicate the Nixon record with emphasis on those issues popular among the nation's senior citizens, though not necessarily oriented toward the group
- o establish the fact that there are thousands of elderly people working for the re-election of the President
- o communicate the idea that the President "cares" about the older Americans

III. TIMETABLE

This program is partially in effect. It is a program of communications lasting through the November elections, with extra emphasis on the period after the Convention. ~~SUMMARY~~ Add Additions to enhance this program will be forthcoming.

IV. THE PROGRAM

A. OLDER AMERICANS FOR THE PRESIDENT COMMITTEE

The purpose of this committee would be to get older people actively involved in the re-election of the President and to relieve some of the boredom of the mature years. The campaign staff would invite people over the age of 60 to actively work in the campaign.

o Activities

- telephone canvassing where senior citizens are calling other senior citizens in behalf of the President. This would be effective after the convention and during the final weeks of the campaign.
- visitation programs can be effective by using census tract information to pinpoint houses in which elderly people reside. In target areas (TAB A) squads of energetic senior citizens would go door to door for the President's re-election. They would distribute literature and have friendly chats with their peers regarding what's being done for the elderly in America and specifically what Richard Nixon is doing.
- election day activities (car pools, poll watching, baby sitting)

o Members

The Older Americans for the President Committee would include a volunteer force, celebrities, Congressmen, Senators, and appointed state chairmen and county chairmen for targeted areas. For the most part these people are famous in their own right and have their own following. They should have a distinct and active part in the campaign.

o Publicity

The publicity plan would be to organize extensive media coverage for

the announcement of the initial committee, co-ordinate media activity around the state and county chairmen announcements, arrange advance publicity for the Congressmen and Senators who will serve on a Congressional Advisory Board capacity and who will travel and speak in behalf of the President to senior citizen organizations, publicize the volunteer efforts among members of the press, and gain maximum coverage for the announcement of the celebrity committee.

- Appearances

Selected members of the OAPC will be asked to speak in behalf of the president. The project manager will be kept informed as to where these speakers are going in order to organize media activity around their speeches. In addition to the coverage of the actual event, she will attempt to schedule the speaker onto local radio and television talk shows and arrange for the speaker to be interviewed by members of the press.

- Feature Articles for Magazines

An attempt will be made to interest editors of selected magazines in interviewing members of the celebrity committee and Congressional Advisory Committee. In addition, Dr. Arthur Flemming and certain Cabinet officials will be offered for interview by these magazines. In some cases, the project manager will arrange to have an article by-lined by one of these well known personalities to be placed in a major publication.

PROJECTED DATE	PERSON	PUBLICATION
	Flemming	Reader's Digest
"		Parade
"		Life
	Richardson	Pension and Welfare News
		Look

Time

National Observer

Newsweek

U.S. News and World Report

Modern Maturity

NRTA Journal

Retirement Life (139,000)

VFW Magazine (1,450,000)

Mamie
EisenhowerThe Workbasket (1,400,000-for
women, average age 55)

Butz

Farm Journal (2,150,000)

Christian Life (100,000)

The Tablet (110,000)

Presbyterian Life (1,080,000)

- Feature Articles for Syndicates

As in the case with magazines, similar stories will be offered to writers affiliated with syndicated news services

<u>PROJECTED DATE</u>	<u>PERSON</u>	<u>SYNDICATE</u>
		North American (Theodore Schuchat's retirement column)
		Newsday Specials (Nick Thimmesch's "Eye on the Presidency")
		Feature syndicates for veteran's news -- At Your Service, G. I. Memories, National Security Affairs.
		Copley News Service - "What About Retirement" by Frank Corrich
		News Portraits -- Y.L. Tiajcliff's "Have you Met?"
		Past Sixty by Meg Hale

- Radio and Television

A special effort will be made to place elderly spokesmen on talk programs

The better known spokesmen will be offered to national talk shows, while the others will be placed on local programs. Their topic will be what the President is doing for older Americans.

<u>PROJECTED DATE</u>	<u>PERSON</u>	<u>PROGRAM</u>
	Fleming	Face the Nation (CBS)
"	"	Issues and Answers (ABC)
"	"	Meeting of the Minds (WRC)
"	"	Meet the Press (NBC)
	Richardson	Monitor (NBC)
"	"	Today (NBC)
		Public Affairs Programs (WPIX NY)

- Natural Publicity Opportunities

Many of these people have natural publicity opportunities generated by their own unique careers. They will be briefed and should be willing to "put a plug in for the President" whenever they have occasion to be interviewed by members of the media.

B. Older Americans Campaign Staff

We have here a unique situation of four young people running the campaign for the support of senior Americans. Dan Todd, Jim Mills, Christie Todd, and Ruth Groom are all close to age 30 or under. This would be a natural for publicity value.

o National Interviews

These young people should be offered to selected television talk shows, and news interviews. They are articulate and quite knowledgeable. The two girls would be placed on women's programs. It is conceivable that major magazines (Parade, Time) would be interested in doing a story on the contrast of ages.

- o These people will all be traveling during the campaign. As their schedules are arranged, the project manager will co-ordinate local media activity while they are in the field. Every attempt will be made to place them on local radio and tv talk programs and have them interviewed by the local media.

C. STATE ORGANIZATIONS (TAB C)

o State Chairman announcements

In selected states, there will be an official announcement of the OAPC. The initial announcement will be made at a press conference associated with an event of interest to older citizens (opening of new senior citizen center, speech). The project manager will work with the state public relations director to set up the press conference, put out press releases, arrange for members of the press to attend the event - if one is scheduled.

o Events

When the local organizations begin having rallies and voter registration events, the project manager will co-ordinate media activity.

D. SPEAKERS BUREAU

The Older Americans division should stand ready to provide speakers for senior citizen activities at when they are requested to do so. Besides using staff people and Dr. Flemming, these people will be urged to speak.

o The President

The following is a list of proposed appearances by the President - tentative.

See attached sheets.

o The First Family

The following is a list of proposed appearances by the First Family -tentative.

LIST OF THE PRESIDENT'S APPEARANCES:

	<u>PLACE</u>	<u>EVENT</u>	<u>TYPE INVOLV.</u>
Apr. (17th)	D. C.	Post White House Conf. on Aging Planning Board	Drop-by

The White House Conference on Aging Planning Board membership consists of almost every top aging and volunteer organization leader concerned with the elderly. Its membership totals approximately 90. Therefore, this is a very important group of leaders for the President to meet with.

April	D.C.	Older Americans from Whittier, Cal.	Drop-by
-------	------	----------------------------------------	---------

Since the President went to Whittier College, this event provides a good opportunity to reminisce about what good some of his profs (now old) did for him and others and how they are continuing to accomplish things through what they taught their students. This could be capped by how their work for the present generation of leaders makes those leaders want to work for older Americans. (A schedule proposal has been submitted).

May	D. C.	Older Americans Month	Radio Address
-----	-------	-----------------------	---------------

A Presidential Proclamation is traditionally issued for Older Americans Month and it would be nice to show Presidential concern for and interest in older persons during Senior Citizens Month by reading a short address honoring them during that month. This would be particularly useful to help reach the rural elderly. (A schedule proposal has been submitted.)

<u>PLACE</u>	<u>EVENT</u>	<u>TYPE INVOLV.</u>
Cal. (3rd-18th)	Baseball Game (Senior All-Stars) Drop-by	

e Commissioner of Baseball has agreed to support this event in each ballpark across the country. Each team would give, or sell at reduced rates, tickets older people.

e President would be accompanied to a California Angels game (his home team) by Governor Reagan and Casey Stengel and sit among several thousand older people. (Schedule proposal has been submitted.)

no (12-15th)	D. C.	AARP Convention	Major Address
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AAP is the biggest older American organization, with over 3.5 million members. It is an organization which has been neutral, but leaned in our direction, and one which will be more favorable with the proper wording. Therefore, this is one of the highest priority events for the Presidential appearance.

no (late)	D. C.	Citizens Older Americans Advisory Committee	Drop-by
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Op "aging" leaders, as well as retired show business people, and athletes will be asked to join an honorary Advisory Committee at the Citizens Committee, and one of our main requirements for getting mileage out of such a group will be giving it high visibility. Drop-by to see the President in the Oval Office would achieve this requirement.

<u>PLACE</u>	<u>EVENT</u>	<u>TYPE INVOLV.</u>
July (mid)	D.C.	Cabinet-level Domestic Council Drop-by on Aging Meeting

We will have accomplished several of the initiatives which the President announced in his Aging Message that are popular with older people which could be announced in conjunction with the various Secretary's who are members of this committee. We should take this opportunity to give such initiatives visibility.

August (early)	Ohio, Ill., Ind.	Road trip: Project FUND, Nursing Home Project	Minor address & Drop-by's (President and Mrs. Nixon)
----------------	------------------	--------------------------------------------------	---------------------------------------------------------

This road trip, an itinerary of which will be submitted within two weeks, will be designed to gain a high visibility for the President's concern over problems facing older persons in the Midwest, as that is the section of the Nation with the highest percentage of older voters, outside of Florida.

August (late)	D.C.	
---------------	------	--

To be determined.

September (early)	D.C.	
-------------------	------	--

Drop-by

To be determined.

Sept. (24th-27th) Texas	NARFE Convention	Major Address
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The NARFE organization is one of the four largest "aging" organizations and is by far the most sympathetic and helpful. We would gain extensive coverage through its publication as well as the general press from such a Presidential appearance. Even more important, such an appearance would assure us of this group's crucial support.

<u>PLACE</u>	<u>EVENT</u>	<u>TYPE INVOLV.</u>
Oct. (mid)	Ohio	Housing Project

Ohio is one of our key states and the housing area is one in which we have accomplished much that the President can cite favorably.

Oct. (early)	D.C.
--------------	------

To be determined.

Oct. (late)	D.C.	Reaffirm Pos.'s.	T.V. Speech
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A TV speech on the subject of older Americans is a must if we are to reach the majority of older voters. It is imperative that the President show concern for them as a separate entity, as no other group of voters' opinion is swayed so much by the mere manifestation of care for the problems they face. This event is key to the success of our overall effort.

November	California	Eacondido Senior Center	Drop-by
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This Senior Center is considered one of the best in California. In light of this fact, California's high priority, it would be a good place to close out the older voter campaign.

LIST OF APPEARANCES FOR THE FIRST FAMILY:

	<u>PLACE</u>	<u>EVENT</u>	<u>TYPE INVOLVEMENT</u>
May (1st-4th)	Miami, Fla.	NRTA Convention	Drop-by -- Mrs. Nixon
This group is composed of retired teachers and is associated with the AARP's. In light of Mrs. Nixon's background, she would be very appropriate for such a meeting. In addition, this will receive coverage in the AARP publications, which reach over 3.5 million older voters. (A schedule proposal has been submitted.)			
June	New Jersey	Foster Grandparent Project	Julie or Tricia -- Drop-by
The Foster Grandparent Program has been highly successful and popular. Thus, it would be good to gain some association with it, particularly in a priority state.			
July	Mo.	Farm Home Repair	Drop-by -- Mrs. Nixon
This program is not well-known, but has been very popular in rural areas where 7 out of every 19 persons over 65 live. We should use the visibility Mrs. Nixon would give to highlight our concern for such rural "aging" programs, in a priority and largely rural state like Missouri.			
July	Cal	California	RSVP
In light of the President's and Mrs. Nixon's interest in volunteerism, the Retired Senior Volunteer Program would be a good one to have members of the family visit.			
August	New York	Nutrition Project	Drop-by -- Julie or Tricia
We recently pre-empted Kennedy on nutrition by funding his bill at \$100 million. This received a favorable publicity and we should exploit it.			

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<u>PLACE</u>	<u>EVENT</u>	<u>TYPE INVOLVEMENT</u>
September Florida	Dade Senior Center	Drop-by -- Julie or Tricia
	Florida, with its high percentage of older voters, particularly around Miami, offers a good location for a First Family visit to gain their support.	
September New York	Nursing Home	Drop-by -- Mrs. Nixon
	the President's concern for upgrading nursing homes should be exploited. This offers a good forerunner event to which will hopefully be an appearance by Mrs. Nixon before the Illinois Nursing Home Association the following month.	
ct. (3rd-5th) Illinois	Illinois Nursing Home Association Convention	Drop-by -- Mrs. Nixon
	This event would be used to re-emphasize the President's accomplishments regarding nursing homes. The organization is an important one and in a key state.	
ct. (mid) Indians	Green Thumb	Drop-by -- Julie or Tricia
	Green Thumb is a successful Department of Labor project which employs older Americans to beautify the countryside and is considered highly successful. This event could be used to tie older voters with the environment issue in a favorable way.	

- o Other Speakers

The project manager will work with the staffs of these speakers to assure maximum media coverage.

- Administration officials

Dr. Arthur Flemming

Secretary Richardson

Secretary Romney

Secretary Volpe

Secretary Butz

Secretary Hodgson

- Celebrities (see TAB)

- Congressional Advisory Committee (See TAB)

E. BROCHURES/DIRECT MAIL

- o Campaign - The project manager will work with the November Group to produce at least two good campaign brochures. Direct mail or/and as handouts.

- the first will be an action brochure with lots of pictures. It will prime the people for the follow-up brochure which will be
 - extremely factual.

- o ~~NONPROFIT~~ Government Agencies -- each agency who has senior citizen programs will be asked to produce an informational brochure stating just exactly what the agency can do for older Americans. One will be released every two weeks beginning September 1. The agencies who will be asked to participate are;

- ACTION

- HEW

- HUD

- DOT

- OEO

- AGRICULTURE

- LABOR

- o Domestic Council Committee on Aging

It is proposed that the Domestic Council Committee on Aging put together a ~~political~~ document on "Growing Older in America - A Declaration of Rights". This would.

be written in simple terms and would be extremely factual, but easy to read.

It could be utilized in a number of ways: (non-political)

→ direct mail

→ distribution to senior citizens organizations

→ distribution to doctor's offices for waiting room reading material

→ distribution to senior citizen centers, nursing homes

- o Direct Mail

→ A letter from the President could be inserted in all Social Security recipients pay envelopes. It would explain some of the new initiatives and ~~were~~ promote the theme that "we want to make government more responsive to your needs" inviting correspondence from them.

→ Working with Republican congressmen and Senators, we can urge them to send letters to all the elderly people in their constituency praising the Presidential initiatives and explaining what this Administration has actually done for the older American.

D
(MS)

F. MISCELLANEOUS PROJECTS

1. WJIM-Television Station in Lansing, Michigan has requested that we participate in a half-hour or hour long interview program on the Administration's aging programs. Dr. Flemming and Secretary Richardson would be the featured guests on the program.

The arguments for participating in this program are:

- o The program itself will be telecast at prime television time in the Lansing area (7:30 to 8:00 p.m.).
- o We would be able to control the program because we would provide to the producers:
 - questions for the interviewer to ask,
 - the biographical information on the participants,
 - and whatever visual we think would enhance the program including film clips of the President at the White House Conference on Aging and with older Americans, ~~and~~.
 - ~~we would provide~~ a final script in advance of the taping so the participants will be prepared for the program.
- o The video tape of this program can be transferred to sound, color 16 mm film. This film could be utilized in a number of ways:
 - distribution to senior citizen centers for showing,
 - distribution to nursing homes,
 - distribution to senior citizen organizations in lieu of speakers or for general showing at their club meetings and conventions.

Q. For great media attention we should schedule a gala rally some time after August featuring all senior citizens -- speakers and celebrities -- and attracting an elderly audience. This would be ~~numerous~~ of special publicity value. It could be done on an "appreciation" theme. The celebrities would add the touch of glimmer to make it a fun event and display the "new vitality in growing old in America". Mamie Eisenhower, Ruby Keeler, and Bob Hope would add a great deal to this program.

J. A "Take Your PROBLEMS to the President" could be established and would have a lot of publicity merit in addition to being a service project. A whole publicity campaign could be designed around this theme with campaign pamphlets, posters, and pins saying simply "take your problems to the President". Activities would be:

- o ~~RENAME~~ Senior Citizen Forums - this could be organized around a road show consisting of Administration officials (including Dr. Flemming and Secy Richardson), members of the celebrity committee, local members of the Older Americans for the President Committee. They would go into a target area, visit senior citizens centers, nursing homes and invite local senior citizens to "take their problems to the President" by attending the forum or "hearing" and asking questions and propose problems that the representatives of the President will convey to him when they return to Washington.
- o Toll Free Telephone number - This would be an extravagant program, but would be of extreme value both publicity wise and service wise. We would establish a national toll free number where the elderly can call if they have problems or if they have had trouble with local officials. They would be given advise and/or local numbers of the Social Security Information and Referral Centers. A follow-up letter from the President would be sent to the person with a copy to the Republican Congressman or Senator to enable them to lend their help to the constituent. This program would be of greater value if it were kept separate from the campaign. It would then become a public service feature of this administration.

14. The communications division and/or the Domestic Council Committee on Aging can provide a series of editorials by-lined by Dr. Flemming and Secretary Kirkland Cabinet members whose agency deals with programs of the aging. They would explain all of the programs within their agency which are designed to be of help to the elderly. These would be distributed to newspapers across the country and the story idea could be given to the wire services.

15. A Letters to the Editor Program. These letters to the editor would be in response to local news concerning senior citizens. In each target area the Chairman or

current news stories
county chairman would clip/articles of interest to senior citizens in their area.
These clippings would be sent to the regional staff members who would review them
and pick meaningful articles. These would be forwarded to the project manager
who would be responsible for having an appropriate letter written and returned to
the local representative who would have it signed by one of his people.

✓ 5. ~~SENIOR CITIZEN MONTH~~ Senior Citizens Month - May of this year is set aside to honor
America's senior citizens. During this month we must make an extra effort to
publicize the good things the Administration is doing for the elderly. Some events
are:

- o a Presidential proclamation over national radio and/or television simulcast
- o a Presidential appearance at a major league baseball game on Senior League
All-Star Day (TAB) ~~E~~
- o a dedication of a new senior citizen center by a member of the First Family
or Cabinet official
- o the inauguration of a new Social Security Information and Referral Center in
a targeted state.
- o a direct-mail project

✓ 6. "National Employ Older Americans Week" was held last year in May also. It is
felt that we can gain double exposure by having this special week held in early fall
with many publicity-lending activities centered around the week.

✓ 7. The Domestic Council Committee on Aging is planning a cabinet-level "road show"
to Florida in order to offset some of the "badmouthing" that was occurring by the
Democrat contenders during the primary. The road show will consist of at least three
top Cabinet Secretaries (Richardson, Romney, Volpe) and Dr. Flemming. It will be a
three to four hour tour including visiting a public housing unit, senior citizens
center, nursing home preliminary to holding an "open hearing" to which all senior
citizens of the area are invited to attend and hear the Cabinet heads talk.

An idea with a great deal of merit publicity-wise is a proposed Presidential Road Show in which the President visits selected cities in Ohio, Indiana, and Illinois. Included will be nursing home tours, senior citizens center visits, inspection of a Project FIND, touched off by informal talks by the President at all stops.

✓ the AARP has requested that we prepare an article for publication in both their newsletter (AARP Bulletin) and their magazine (Modern Maturity). Their circulation is ~~throu~~ 3,500,000. The theme of the article would be the election process and the part older Americans can play in the campaign. We will be able to slant this article toward the Administration and can put in a plug for our Older Americans for the President Committee. This should be done immediately.

✓ At some point after the convention, we should stage an event employing both members of the Young Voters for the President and the Older Americans for the President Committees. This would be a natural for national magazine coverage, wire service stories, and network television coverage. It would depict the image of the old and the young bridging the generation gap to worktogether for a common goal -- the re-electiinn of the President.

7. Existing Agencies

Thus far, the government has not done a complete job of publicizing the existing agencies that do have services for the elderly. The Project Manager should work with these agencies to urge them to plan major programs to let the nation know what they are offering the older people. Agencies needing to work in this area especially are:

- o HEW - The President announced in the "Special Message on Aging" that Social Security Information and Referral Centers would be provided to assist the senior citizens with their problems. Not much has been done to get this program underway and publicized. The same goes for Project FUND -- the nutritional program offered for older people.
- o ACTION - They need to stage a massive effort to publicize the community service programs and the volunteer programs that would get senior citizens involved and leading busy lives. For example:
 - Foster Grandparents. This is an excellent program and well accepted. It needs to be publicized to the elderly so they will know they are wanted for participation.
 - RSVP. This is a volunteer program for retired persons who are still energetic and want to devote their time to community service projects. A great deal of publicity value. Feature story material.

II. Convention:

- o Convention participation - A member of the Older Americans for the President Committee should be called upon to participate in the opening ceremonies of the convention by giving the "Pledge of Allegiance" or one of our celebrities could sing the "Star Spangled Banner".
- o Delegates - we will compile a list of the delegates over the age of 60 who will be attending and publicize them.
- o Reception - to be held during the convention with a presidential drop-in.
- o Seminars - each day at a specified time the Older Americans group will hold seminars on the problems of the aging.
- o Mock Voting - the day before the actual voting, the Older Americans group will have a voting which will be publicized nationwide..
- o Platform - one week before the convention, the Republican platform is generally drawn up. Every effort will be made to include a special "plank for the elderly" which can be publicized.

V. CONCLUSION

This proposed program will utilize the talents and resources available to us during this campaign. It is ambitious, but realistic, and far from being complete. Additions will be made as the campaign gear shifts into high gear.

This proposed program will insure the most prudent use of the media in an organized manner. On a day to day basis the communications department will stand ready to react to unforeseen occurrences.

EVANS EXHIBIT NO. 7

Committee for the Re-election of the President

MEMORANDUM

April 11, 1972

MEMORANDUM FOR BUD EVANS

FROM: DAN TODD *(WA)*

SUBJECT: USG MATERIALS

On March 30, at the meeting with myself and Bill Novelli, you committed to providing us with:

- a) a draft memo to all agency PIO's outlining your brochure program and setting forth guidelines for same.
- b) a master timetable for the preparation and release of the brochures.
- c) some samples of work in progress.

To date, we have received nothing.

It is difficult, if not impossible, for us to proceed on our overall plan, which, per our discussion, is designed to encorporate and politicize your efforts, absent these materials.

When may we expect them?

cc: Mr. Novelli
Mr. Malek

EVANS EXHIBIT NO. 8

MEMORANDUM

THE WHITE HOUSE
WASHINGTONCONFIDENTIAL

April 13, 1972

MEMORANDUM FOR: DAN TODD
SUBJECT: USG Materials

Concerning your memorandum of April 11th regarding the meeting between yourself, myself, and Bill Novelli:

a-As you know, the draft memorandum to Agency PIO's is being sent by Des Barker, and therefore requires his approval. It is his feeling that we should not set forth guidelines for development of these brochures in the memorandum, or even request that a brochure be developed therein, because it would give the PIO's grounds for not giving the information we desire. Therefore, we have requested a compilation of all programs which benefit older persons in each Department, and a write-up which would be suitable for inclusion in a brochure.

b-The Master Timetable, such as it is, consists of having all compilations and write-ups submitted to me by April 27th. This, as the draft memorandum (Tab A) manifests, will be followed up by meetings between myself and the PIO's from each Department and Agency.

c-Samples of work in progress obviously are not available.

I will be in touch with Bill Novelli concerning the form he believes these brochures should take before I meet with the PIO's. In light of Barker's insistence that we not request brochures from the PIO's until after they have completed their compilations and write-ups, I did not, and do not, feel that it would be helpful to any of the parties involved to review the draft memo. As far as when the material needed for the Citizens pamphlets will be available, I believe that the compilations and write-ups, once in final form, should provide the required information. We should not have any trouble in meeting our June deadline for that material.

Bud
L. J. Evans, Jr.

cc: Bill Novelli
Fred Malek

EVANS EXHIBIT NO. 9

*Post 373**fund raising(GAD)*GENERAL BROCHURE GUIDELINES*file
Bob Evans*

I. Type Brochure

- A. Six panels --folded (e.g. attached) or 8 panels (e.g. attached)
1,000 - 1,500 words per pamphlet.

II. Format

- A. Introduction: Emphasize the heavy emphasis your Agency is placing on programs to improve the quality of life for older Americans. Then bring out the general theme of this brochure. (The general theme to be utilized is on the attached sheet).
- B. Outline special programs and initiatives (with examples), which illustrate this emphasis on programs to improve the quality of life for older Americans. (The programs you should stress are outlined in the attached).

C. Close-out summation.

III. Structure:

- A. Cover Headline: For example, "The Administration on Aging Reports to Older Americans."
- B. Cover Quote: Quote(s) from the President to illustrate the general theme of the brochure (a recommended quote is attached).

C. Two Pictures: Included in the appropriate places.

IV. Writing Style

- A. This brochure should be "humanized" by giving specific interesting examples of how the programs mentioned have or will improve the quality of life of older Americans.
- B. The brochure should be written as if directed solely toward older Americans. Thus, it should be "personalized" by the use of "you" and "your" when referring to older persons and how the programs mentioned help them.

EVANS EXHIBIT NO. 10

CONFIDENTIAL*T odd*

Committee for the Re-election of the President

MEMORANDUM

June 7, 1972

*P-47-377**Novelli, Bell*

MEMORANDUM FOR: L.J. EVANS, JR., WEBSTER B. TODD

CC: PETER H. DAILEY
ANGELA HARRIS
PHIL JOANOU
MICHAEL LESSER
~~BERNARD VAN RENSSAAT~~

FROM: WILLIAM D. NOVELLI *WBN*

SUBJECT: Government White Papers and Brochures on
Older Americans

This is to review the status of this project and to suggest how we might proceed.

I. BACKGROUND

1. We are all in agreement that brochures produced and distributed by government departments and agencies will be important in persuading older voters to re-elect the President. These brochures will be non-partisan enough to break through the election year aversion to political rhetoric, but will be strongly supportive of the President.
2. Bud Evans and others have followed a step-by-step plan of having the departments and agencies gather available information, then structure this information in "white papers" for our inspection.
3. We now have the "white papers". Although I agree with Bud's comments on how these papers may be improved, this can be done while moving to the final stage - brochure development.

II. NEXT STEPS

1. Based on the material in hand, you may wish to request that each agency and department begin immediate development of a brochure along these lines:
 - a. The brochures might take the form of a status report. In this context, each agency or department would have a legitimate reason for distributing large numbers of

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-2-

Committee for the Re-election of the President

MEMORANDUM : L.J. Evans, Jr., W. Todd

June 7, 1972

these "reports" to Older Americans; for example:

Headline: The Office of Economic Opportunity Reports To Older Americans

Subheadline: A status report of OEO's progress and plans for improving the quality of life for older persons in America

- b. The brochures should be short (perhaps four to eight pages) and readable (crisp prose, avoid bureaucratese, large type, plenty of white space).
- c. The structure of each brochure might be:
- (1.) President Nixon has placed heavy emphasis on this agency's programs to improve the quality of life for Older Americans.
 - (2.) In response to the President's priorities, here is a brief summary of what we are doing and our plans from here.
 - (3.) We (the Agency or Department) would like to have your (the older reader's) reaction to these programs/plans. Please use the attached card to let us know your opinion. Your comments will be answered.

2. The Administration on Aging might develop a capstone brochure which is more extensive, and which summarizes all the agency/department leaflets. This AOA summary might take such a title as:

A Report From Washington On Programs for Older Americans

As a final effort, AOA might also publish a leaflet which briefly discusses the Administration's plans stemming from the White House Conference on Aging:

Six Months After the White House Conference on Aging
A Status Report to Older Americans

This leaflet would adhere to our strategy of discussing plans for qualitative improvements, especially:

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-3-

Committee for the Re-election of the President

MEMORANDUM : L.J. Evans, Jr., W. Todd

June 7, 1972

- a. Overall quality of life
- b. Effort to change the attitudes of younger America towards the elderly

These three categories of "non-partisan" brochures, coupled with the material that will be developed by the November Group, should provide a strong communications effort for the re-election campaign for Older Voters.

III. DISTRIBUTION, TIMING AND COORDINATION

The agencies and departments should be requested to develop the brochures immediately, along with a plan for mass distribution.

We can indirectly check copy and also stagger the release of the brochures to insure a steady stream between now and late September.

EVANS EXHIBIT NO. 11

Committee for the Re-election of the President

MEMORANDUM

July 14, 1972

MEMORANDUM FOR BUD EVANS

FROM: DAN TODD
SUBJECT: USG BROCHURES

In order that my field people can obtain adequate numbers of the aging brochures, I have advised them to use incumbent USS and MC as vehicles.

So that I may tell them what to ask for, can you please provide me with a schedule showing:

Title
Agency
Publication Date
GPO Number
Subject

EVANS EXHIBIT NO. 12

Committee for the Re-election of the President

MEMORANDUM

July 24, 1972

MEMORANDUM FOR BUD EVANS

FROM: DAN TODD 
SUBJECT: VARIOUS

The following items are still pending from your shop:

1. Production schedule information on USG brochures.
2. Schedule proposals for Mr. Nixon.
3. Film from TV interviewees of ASF, ELR, Rocha.
4. ASF's advance man and integrated schedule.

Also, may I have a firm date for bringing my National Advisory Committee to D. C. to meet with the President?

Thanks.

8571

EVANS EXHIBIT No. 13

THE WHITE HOUSE
WASHINGTON

2

July 24, 1972

Dan:

The attached is per your request.

Bob
L. J. Evans, Jr.

*Bob
and
the
other
two
members*

AGING BROCHURES

<u>Follow-Up Dates For:</u>	<u>Labels</u>	<u>Mailing</u>
HUD	July 11	July 25
USDA	July 21	August 4
LABOR	August 1	August 15
TRANSPORTATION	August 11	August 25
VA	August 22	September 5
ACTION	September 11	September 2
OEQ	September 21	October 5

EVANS EXHIBIT NO. 14



July 27, 1972

MEMORANDUM FOR: DAN TODD

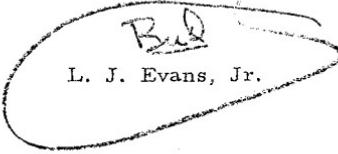
SUBJECT: Brochures

I thought you would be interested in seeing our first aging brochure. You can get the title, agency, GPO number, and subject from the brochure itself. This one will be sent out next week.

I have also attached a distribution list; and, as you can see, the first mailing will include approximately 950,000 brochures.

Please let me know what your people will be doing to get copies of these and how many they will be requesting.

We are still planning on having the remaining seven brochures go out in two week intervals. I will forward these to you as they come off the press.



L. J. Evans, Jr.

Attachments

EVANS EXHIBIT NO. 15

Bud

3

This is really great
work. I should have
major input. All has
been done. I am sending the
July 27, 1972
FROM MAILED
addressed brochures.

MEMORANDUM FOR:

Brochures

SUBJECT:

Kod

Attached is the first government aging brochure to come off the printing press. It still has a slight bureaucratic flavor to it, but I think it gets across the President's concern as well as emphasizes his help in solving the problems of older persons.

The original mailing will distribute 950,000 of these brochures. This will leave us 550,000 remaining brochures for distribution to Senators and Congressmen, field organizations, and other groups we may want to reach.

We will be sending out seven additional brochures at a rate of approximately every two weeks, and I will forward these to you as they come off the press.

Bud

L. J. Evans, Jr.

Attachments

✓ Don't send to me
✓ Vincent for DDF
✓ Send all items
✓ Adams

✓ 160

8575

EVANS EXHIBIT NO. 16

September 14, 1972

MEMORANDUM FOR: DAN TODD
FROM: L. J. EVANS, JR. *B*
SUBJECT: Brochures

Enclosed are the 55 copies you requested of Opportunities for Older Americans in ACTION. Distribution in the original mailing will be approximately 1,115,057 brochures.

Arrangements have been made for distribution to Republican Senators and Congressmen. The remaining brochures are available to field organizations and other groups we may want to reach.

There are 2 remaining brochures, which will be forwarded when they come in.

Enclosures

*Exhibit
W
Cover memo*

BROCHURE DISTRIBUTION LIST

TOTAL DISTRIBUTION: 1,155,057

<u>Destination</u>	<u>Quantity</u>	<u>Total</u>
1. 1,193 Senior Citizen Centers	100	119,300
2. 374 Elderly Housing Projects	100	37,400
3. 552 National Voluntary Organizations Serving Older Americans	100	55,200
4. 1,900 Nursing Homes for Long-Term Care Facilities	100	190,000
5. 50 State Agencies Concerned with Older Americans	500	25,000
6. 1,000 Social Security District Offices	534	534,000
7. 1,193 AARP Chapter Presidents	5	5,990
8. 1,253 Presidents of Senior Citizens Clubs	5	6,265
9. 102 Senior Citizen Communicators	5	510
10. 74 Leaders in the Senior Citizen Field	5	370
11. 432 AARP Legislative Chairmen	5	2,160
12. 3,330 Delegates WHCoA	5	16,650
13. 152,212 NARFE Membership	1	152,212

EVANS EXHIBIT NO. 17

Fred -

8/3

Bud - OK -
Dwyer -

Re the attached - Danny called this a.m. and said that Evans told him at breakfast today that "Colson is having second thoughts, (cold feet) about the seven additional brochures." Apparently, Volpe called Colson and said DOJ didn't want to do a brochure, too political w/ a quote from the P on the cover, etc. - and this must have gotten Colson thinking.

Danny is quite alarmed - and just wanted you to be aware of the above in case he makes a desperate plea to you to put in a strong call to Colson to get him to back off.

Please keep me advised. Fred

EVANS EXHIBIT NO. 18

Committee for the Re-election of the President

210m -1101
B-1372

MEMORANDUM

July 27, 1972

MENORANDUM FOR: WEBSTER B. TODD, JR.
FROM: ELEANOR CALLAHAN EC
SUBJECT: H.E.W. Film Prints

This is to confirm my message to Polly this afternoon regarding your request to reduce your film order from 100 to 50 copies.

The entire order of 100 films have already been produced, and are now in transit and are scheduled to arrive here on Friday, July 28th. Therefore, I regret I cannot make an adjustment in your order at this time.

8579

Committee for the Re-election of the President

MEMORANDUM

August 3, 1972

MEMORANDUM FOR OLDER AMERICAN CHAIRMEN

FROM: WEBSTER B. TODD, JR.

SUBJECT: FIRST OLDER AMERICAN FILM

The enclosed is your copy of "May the Last be the Best". The film runs 28 minutes and is a 16mm color projection that can be used at Older American meetings and forums. Since this is an informational film on the problems of aging it also has potential on public service television.

Please let us know if you have any problems.

8580

July 25, 1972

MEMORANDUM FOR BILL NOVELLI

FROM: DAN TODD

SUBJECT: HEW FILM

This will confirm my verbal request of Monday A.M.
to cut our film (HEW) order from 100 to 50.

We may want to reduce it further if it continues to be
badly received.

Committee for the Re-election of the President

MEMORANDUM

July 17, 1972

MEMORANDUM FOR: WEBSTER B. TODD, JR.
FROM: ELEANOR K. CALLAHAN
SUBJECT: Prints of HEW Film

Production of 100 prints of the 28-minute H.E.W. film began last Friday. The first shipment is to be airmailed from California this week, to be delivered not later than Monday, July 24th.

The balance of your order should be in your hands by Monday, July 31.

cc: Peter H. Dailey
Phil Joanou
William D. Novelli
Steve O'Leary

June 19, 1972

MEMORANDUM FOR: BILL NOVELLI
FROM: FRED MALEK
SUBJECT: HEW Film

As you know, Dan Todd is urgently requesting that the November Group reproduce 100 copies of a 23-minute HEW film. This is part of an essential program they hope to undertake soon. Dan tells me that there has been some delay within the November Group on undertaking this project.

In my mind there is no question on this decision. We must have the film and preferably soon. The funds can be provided within the Older Americans budget unless you would prefer to include it in the promotion budget. However, we do have the money to pay for it and would be glad to appropriate it in our budget.

I would appreciate your expediting reproduction of this film. Let me know if there are any snags.

cc: Dan Todd

June 14, 1972

MEMORANDUM FOR FRED MALEK

FROM: DAN TODD

SUBJECT: HEW FILM

The 28-minute HEW film, "May The Last Be The Best", is now ready for distribution. This has been an integral part of our campaign plan from the beginning and it was coordinated with everyone. On the basis of past agreements (to use the film extensively) we have made commitments to our field troops on this item and have requested 100 copies from the November Group five or six weeks ago. I was told this would come out of their budget and, therefore, I have made no separate request.

We are now in the position of having our field people asking us where the film is.

Upon checking with the November Group, I'm now told it will be "at least another 10 days" until they even "decide whether to buy it or not"!

I'd appreciate your help in shaking this loose so I can begin getting the prints out.

EVANS EXHIBIT NO. 19

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

June 19, 1972

MEMORANDUM FOR:

Fred Malek

SUBJECT:

W.W. Flemming's Scheduling--
Advanceman

As mentioned at our meeting Friday, June 16th, Dr. Flemming has finally agreed to work with a scheduling-advanceman. Both Dan and I have been trying to get him to agree to this for months.

The person Dr. Flemming agreed to work with is Frank Troy, who is a strong Republican, Black, and a member of the Ohio Civil Service Commission. He was a delegate to the White House Conference on Aging and is now a member of the Post-White House Conference on Aging Planning Board. In addition, he has been working closely with Paul Jones.

As Dr. Flemming stated, he would like Troy to be tied in with the Tour Office at the Re-election Committee. I realize this may present a problem but, hopefully, not an insurmountable one. I think your suggestion that Troy work for Flemming, with close ties with the Tour Office is a good one. The Tour Office should be alerted that Troy is on board and should be told to co-operate fully with him, so that his schedule is co-ordinated with other Administration spokesmen.

Dan and I still believe that Flemming should be added to the Tour Office's list, and perhaps Troy's addition will make them less hesitant to do so. It should be remembered that Flemming is the primary aging spokesman.

The immediate action required to implement the above is the hiring of Troy as a Consultant at HEW, with a detail to the White House Conference on Aging. The ideal time for him to be brought on board--both from Flemming's and my viewpoint would be July 5th, the first working day after the July 4th weekend. I have attached Troy's resume for your use.

Please let me know if I can be of any help regarding this matter.

✓ cc: Dan Todd

Attachment

Bud
L. J. Evans, Jr.

EVANS EXHIBIT NO. 20

The
President
Speaks to
Older
Americans

U.S. DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE
Social and Rehabilitation Service
Administration on Aging

The President
Speaks to
Older Americans

Old Age should not be a time of endings, but a time of new beginnings—not a time for stopping, but a time for new starts.

★★★

What we must build in this country—among all of our people—is a new attitude toward old age; an attitude which insists that there can be no retirement from living, no retirement from citizenship.

★★★

There is one thing I know about the older generation in America. They believe in this country. They have faith in this country. They have the moral strength and character that we need, that all Americans need.

★★★

... old age which should be a time of pride and fulfillment—pride and fulfillment looking back and looking forward—is too often a time of isolation and withdrawal. Rather than being a time of dignity, it is often a time of disappointment. And the growing separation of older Americans also means that we are not taking full advantage of a tremendous reservoir of skill and wisdom and

moral strength that our Nation desperately needs at this moment in its history.

★★★

. . . we need you. We need your experience. We need your perspective. Above all, we need your sense of values, because you know this can be a strong nation militarily, it is the strongest nation in the world; it can be a strong nation economically. It is. We are the richest nation in the world. And it can be an empty shell if we forget that those moral and spiritual values, to which your generation is so deeply committed, are also there.

★★★

. . . the generation over 65 is a very special group which faces very special problems—it deserves very special attention.

★★★

. . . we are making determined efforts to improve the financial position of our older citizens.

★★★

. . . we have proposed that the Federal Government place a floor under the income of every senior citizen in America. We have proposed that Social Security benefits for widows be raised. We have called for an automatic cost of living increase in Social Security to make certain that monthly payments will keep up with inflation.

The fact that many older people may not be active members of the labor force does not mean that they should be denied a fair share of our growing productivity.

★★★

Only through revenue sharing, where the Federal Government shares its revenues with the States, are we going to stop the rise in local property taxes in this country, which is eating into the budget of every retired person who owns his own home.

We have to stop discrimination in this country against older people who want to work. The time has come to raise the ceiling on how much a person can earn while receiving Social Security. The time has come to increase the amount of Social Security he can keep when his earnings exceed that ceiling.

★★★

. . . if there is any single institution in this country that symbolizes the tragic isolation and shameful neglect of older Americans . . . it is the substandard nursing home, and there are some. Some are unsanitary. Some are ill-equipped. Some are overcrowded. Some are understaffed . . .

★★★

. . . we should take notice of this problem. . . . I have asked the White House Conference to give particular attention to it. One thing you can be sure, I do not believe that Medicaid and Medicare funds should go to substandard nursing homes in this country and subsidize them.

★★★

I am confident that our Federal, State, and local government, working together with the private sector, can do much to transform the nursing home—for those who need it, and of course, there are those who do not need it or want it—transform it into an inspiring symbol of comfort and hope.

★★★

The time has come for a new attitude toward old age in America. The time has come to close the gap between our older citizens and those who are not old. The way to do this, I believe, is to stop regarding older Americans as a burden and start regarding them as a resource for America.

★★★

. . . I am particularly looking forward to the White House Conference on Aging later this year. . . . This conference promises new and fresh ideas. We want your ideas . . .

*The
President
Speaks to
Older
Americans
Again*

5-49

U.S. DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE
Social and Rehabilitation Service
Administration on Aging

*The President
Speaks to
Older Americans
Again*

Unless the American dream comes true for our older generation, it cannot be complete for any generation.

* * *

When matters which affect the interests of older Americans are being discussed, I am determined that the voice of older Americans will be heard.

* * *

... the entire Nation has a high stake in a better life for its older citizens simply because it needs them. It needs the resources which they alone can offer.

We are speaking, after all, of a proven generation, one that has brought this country through the most turbulent period in human history. Its skills, its wisdom, its faith—these are among the most valuable resources this Nation possesses.

* * *

The time has come to stop talking about the impact of property taxes on older Americans and to act in their behalf . . .

The most important thing we can do to enhance the independence and self-reliance of older Americans is to help them protect their income position.

* * *

(1) I would encourage more of our older citizens to remain active in the economic life of our country . . . Those who *can* work *want* to work should *not* be discouraged from working . . . By reducing the barriers to work we can increase the sense of participation among older citizens and at the same time tap their energies and experience more effectively.

* * *

In December 1971, I met with 3500 delegates to the White House Conference on Aging. I told the delegates that I did not want their recommendations to gather dust on storeroom shelves.

Since that time, we have been reviewing those recommendations—and a number of action steps have already been taken. For example, we have increased the budget for the Administration on Aging tenfold. I have signed into law a new national nutrition program for older people. We are working to ensure that needed transportation services are included in service projects for the elderly.

* * *

We plan to give special emphasis to services that will help people live decent and dignified lives in their own homes—services such as home-health aides, homemaker and nutrition services, home-delivered meals

Sen. Gay

B

I thought that any older citizens—after a lifetime of service to their communities and country—may suffer from hunger or malnutrition is intolerable. . . . The time has come for marshalling all our resources in a comprehensive campaign to meet the nutrition needs of older Americans.

* * *

Programs to involve older people in voluntary service to others are growing. And we are moving with other, earlier efforts—such as our campaign to reform nursing home care and our program to provide hundreds of information centers for older persons at the local level.

* * *

(2) The quality of life for older Americans depends to a large extent upon the responsiveness of the marketplace to their special needs. It is estimated that elderly persons now spend over \$60 billion for goods and services every year—and they will continue to spend billions more if my proposals for increasing their income are enacted. Our economy should be responsive to the needs of older Americans . . .

* * *

We often hear these days about the "impatience of youth." But if we stop to think about the matter, it is the elderly who have the best reason to be impatient. As so many older Americans have candidly told me, "We simply do not have time to wait while the Government procrastinates. For us, the future is now." I believe this same sense of urgency should characterize the Government's response to the concerns of the elderly.

It is important that we give sufficient attention to the things our Nation should be doing for older Americans. But it is just as important that we remember how much older Americans can do for their Nation.

* * *

Discrimination based on age . . . can be as great an evil in our society as discrimination based on race or religion or any other characteristic which ignores a person's unique status as an individual and treats him or her as a member of some arbitrarily-defined group . . . it destroys the spirit of those who want to work and it denies the Nation the contribution they could make if they were working.

* * *

The state of our Union is strong today because of what older Americans have so long been giving to their country. The state of our Union will be stronger tomorrow if we recognize how much they still can contribute. The best thing our country can give to its older citizens is the chance to be part of it, the chance to play a continuing role in the great American adventure.



Excerpts from the President's speech to the White House Conference on Aging, his special message to Congress on Older Americans, State of the Union Address, and Proclamation of Senior Citizens Month.



Keep Freedom in Your Future With U.S. Savings Bonds



8592



EVANS EXHIBIT NO. 21

COMMITTEE FOR THE RE-ELECTION OF THE PRESIDENT

MEMORANDUM

August 16, 1972

Box 377

*Mr. Van Rensselaer*MEMORANDUM FOR ARTHUR S. FLEMMING
BERNARD VAN RENSSLAER
VICKI KELLER
BUD EVANS

FROM:

DAN TODD

DAN TODD

SUBJECT:

SECOND OA BROCHURE

As you know, we are planning a second printed piece for distribution to the older voters in late September/early October. This will take the form of a six or eight panel folded brochure similar to those prepared by USG.

Would you please review your files for material to be included in this piece along the following lines:

1. New initiatives announced since our first brochure.
2. Additional points we want to make not included in first brochure.
3. Points we want to reemphasize.
4. Posture of Administration vs. Congress.
5. Pictures & quotes which should be used.

Please have your ideas back to me by Monday, August 27th.

September 6, 1972

MEMORANDUM FOR ELEANOR CALLAHAN

FROM: DAN TODD

SUBJECT: 2ND BROCHURE

Will you please have these distributed as follows:

(These are to go to State Older American Chairmen, c/o State CREPs)

		Total
California	150,000	<u>150,000</u>
Florida	50,000	200,000
Illinois	100,000	300,000
Indiana	50,000	350,000
Michigan	50,000	400,000
Minnesota	25,000	425,000
Missouri	50,000	475,000
New York	150,000	625,000
New Jersey	50,000	675,000
Connecticut	50,000	725,000
Ohio	65,000	790,000
Pennsylvania	100,000	890,000
Texas	50,000	940,000
Virginia	25,000	965,000
Wisconsin 1730	25,000 10,000	990,000 1,000,000
Wyoming		

